

CITY OF NEW IBERIA, LOUISIANA

Financial Report

Year Ended October 31, 2015

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	6
Statement of activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	10
Reconciliation of the governmental funds balance sheet to the statement of net position	11
Statement of revenues, expenditures, and changes in fund balances- governmental funds	12
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	13
Statement of net position - proprietary fund	14
Statement of revenues, expenses, and changes in fund net position - proprietary fund	15
Statement of cash flows - proprietary funds	16-17
Statement of net position - fiduciary funds	18
Statement of changes in fund net position - fiduciary funds	19
Combining statement of net position - discretely presented component units	20
Combining statement of activities - discretely presented component units	21
Notes to basic financial statements	22-59
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General Fund	61
Sales Tax Special Revenue Fund	62
Garbage Special Revenue Fund	63
Schedules of employer's share of net pension liability	64
Schedules of employer contributions	65
Schedule of funding progress	66
Notes to the required supplementary information	67-68
OTHER SUPPLEMENTARY INFORMATION	
Statement of net position - compared to prior years	70
Major Governmental Funds -	
Detail budgetary comparison schedules - compared to actual for prior year:	
General Fund - revenues	71
General Fund - expenditures	72

(continued)

TABLE OF CONTENTS (continued)

	Page
Nonmajor Governmental Funds -	
Combining balance sheet - by fund type	73
Combining statement of revenues, expenditures, and changes in fund balances	74
Nonmajor Special Revenue Funds -	
Combining balance sheet	75
Combining statement of revenues, expenditures, and changes in fund balances	76
Detail budgetary comparison schedules - compared to actual for prior year	
Parks and Recreation Fund	77
Public Works Fund	78
Nonmajor Debt Service Funds -	
Combining balance sheet	79
Combining statement of revenues, expenditures, and changes in fund balances	80
Nonmajor Capital Projects Funds -	
Combining balance sheet	81
Combining statement of revenues, expenditures, and changes in fund balances	82
Sewerage Utility Fund -	
Comparative statement of net position	83
Comparative statement of revenues, expenditures, and changes in fund net position	84
Schedule of number of utility customers	85
INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	87-88
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133	89-90
Schedule of expenditures of federal awards	91
Notes to the schedule of expenditures of federal awards	92
Schedule of findings and questioned costs	93-94
Summary schedule of current and prior year audit findings and management's corrective action plan	95

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Mixon, CPA*
 Brad E. Kolder, CPA, JD*
 Stephen J. Anderson, CPA*
 Penny Angello Scruggins, CPA
 Christine C. Doucet, CPA
 Wanda F. Arcement, CPA, CVA
 Bryan K. Joubert, CPA
 Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
 Albert R. Leger, CPA, PFS, CSA*
 Marshall W. Guidry, CPA
 Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®
 James R. Roy, CPA
 Robert J. Metz, CPA
 Alan M. Taylor, CPA
 Kelly M. Doucet, CPA
 Mandy B. Self, CPA
 Paul L. Delcambre, Jr., CPA
 Jane R. Hebert, CPA
 Deidre L. Stock, CPA
 Karen V. Fontenot, CPA
 Tabby A. LeMay, CPA

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

183 South Beadle Rd.
 Lafayette, LA 70508
 Phone (337) 232-4141
 Fax (337) 232-8660

450 East Main Street
 New Iberia, LA 70560
 Phone (337) 367-9204
 Fax (337) 367-9208

113 East Bridge St.
 Breaux Bridge, LA 70517
 Phone (337) 332-4020
 Fax (337) 332-2867

200 South Main Street
 Abbeville, LA 70510
 Phone (337) 893-7944
 Fax (337) 893-7946

1234 David Dr. Ste 203
 Morgan City, LA 70380
 Phone (985) 384-2020
 Fax (985) 384-3020

1013 Main Street
 Franklin, LA 70538
 Phone (337) 828-0272
 Fax (337) 828-0290

434 East Main Street
 Ville Platte, LA 70586
 Phone (337) 363-2792
 Fax (337) 363-3049

133 East Waddil St.
 Marksville, LA 71351
 Phone (318) 253-9252
 Fax (318) 253-8681

332 West Sixth Avenue
 Oberlin, LA 70655
 Phone (337) 639-4737
 Fax (337) 639-4568

1428 Metro Drive
 Alexandria, LA 71301
 Phone (318) 442-4421
 Fax (318) 442-9833

WEB SITE
WWW.KCSRPCAS.COM

Retired:
 Conrad O. Chapman, CPA* 2006

The Honorable Hilda Curry, Mayor,
 and Members of the City Council
 City of New Iberia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Iberia, Louisiana, (the City) as of and for the year ended October 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City Court of New Iberia and the New Iberia City Marshal, which represent 100% of the assets, net position and revenues of the aggregate discretely presented components. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City Court of New Iberia and the New Iberia City Marshal, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Iberia, Louisiana, as of October 31, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the City has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of employer's share of net pension liability and employer contributions on pages 61 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City of New Iberia has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of, the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of New Iberia, Louisiana's basic financial statements. The other supplementary information on pages 70 through 85 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and comparative statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the City of New Iberia's 2014 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

The various schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2016, on our consideration of the City of New Iberia, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 4, 2016

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY OF NEW IBERIA, LOUISIANA

**Statement of Net Position
October 31, 2015**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and interest-bearing deposits	\$ 15,003,200	\$ 1,476,255	\$ 16,479,455	\$ 145,647
Accounts receivable	271,591	431,172	702,763	3,180
Assessments receivable	122,731	-	122,731	-
Due from other governmental units	3,289,230	670,612	3,959,842	-
Due from other external parties	-	-	-	22,428
Real estate held for resale	61,343	-	61,343	-
Restricted assets	-	311,259	311,259	-
Capital assets:				
Non-depreciable	6,298,099	7,968,439	14,266,538	-
Depreciable, net	35,574,233	42,884,846	78,459,079	7,331
Total assets	60,620,427	53,742,583	114,363,010	178,586
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	303,440	47,557	350,997	-
Deferred outflows of resources - pension	2,464,426	564,582	3,029,008	54,049
Total deferred outflows of resources	2,767,866	612,139	3,380,005	54,049
LIABILITIES				
Cash overdraft	79,772	-	79,772	-
Accounts and other payables	1,409,362	1,064,799	2,474,161	4,540
Accrued interest	307,854	118,575	426,429	-
Unearned revenue	250,524	-	250,524	-
Long-term liabilities:				
Portion due or payable within one year	2,161,780	401,285	2,563,065	-
Portion due or payable after one year	22,092,752	10,521,594	32,614,346	-
Other post employment benefits payable	5,060,233	-	5,060,233	-
Net pension liability	11,368,999	2,289,495	13,658,494	361,483
Total liabilities	42,731,276	14,395,748	57,127,024	366,023
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	651,133	127,245	778,378	52,541
NET POSITION				
Net investment in capital assets	20,379,137	39,778,617	60,157,754	7,331
Restricted for:				
Capital projects	4,032,321	-	4,032,321	-
Debt service	890,597	192,684	1,083,281	-
Other	6,086,466	-	6,086,466	-
Unrestricted	(11,382,637)	(139,572)	(11,522,209)	(193,260)
Total net position	\$ 20,005,884	\$ 39,831,729	\$ 59,837,613	\$ (185,929)

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Statement of Activities
For the Year Ended October 31, 2015

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position			
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental activities:								
General government	\$ 2,945,496	\$ 28,810	\$ 175,415	\$ -	\$ (2,741,271)	\$ -	\$ (2,741,271)	\$ -
Public safety	11,965,000	241,163	473,665	-	(11,250,172)	-	(11,250,172)	-
Public works	7,430,290	44,039	-	3,882,135	(3,504,116)	-	(3,504,116)	-
Culture and recreation	1,248,862	160,219	-	-	(1,088,643)	-	(1,088,643)	-
Urban redevelopment and housing	1,226,593	-	1,177,216	-	(49,377)	-	(49,377)	-
Unallocated depreciation	2,155,050	-	-	-	(2,155,050)	-	(2,155,050)	-
Interest on long-term debt	1,000,833	-	-	-	(1,000,833)	-	(1,000,833)	-
Total governmental activities	27,972,124	474,231	1,826,296	3,882,135	(21,789,462)	-	(21,789,462)	-
Business-type activities:								
Wastewater	6,161,482	5,441,197	-	1,120,000	-	399,715	399,715	-
Total primary government	34,133,606	5,915,428	1,826,296	5,002,135	-	399,715	399,715	-
Component units:								
City Court	554,976	344,948	195,302	-	-	-	-	(14,726)
City Marshal	130,866	45,887	69,557	-	-	-	-	(15,422)
Iberia Home Mortgage Authority	96,186	-	-	-	-	-	-	(96,186)
Total component units	782,028	390,835	264,859	-	-	-	-	(126,334)
General revenues:								
Taxes -								
Ad valorem taxes					4,422,749	-	4,422,749	-
Sales and use taxes					14,131,047	-	14,131,047	-
Franchise taxes					1,821,093	-	1,821,093	-
Occupational					1,580,422	-	1,580,422	-
Grants and contributions not restricted to specific programs -								
Non-employer pension contributions					365,534	38,056	403,590	-
Investment income					139,488	43,290	182,778	17
Miscellaneous					907,998	2,613	910,611	45,646
Gain on sale of capital assets					13,422	27,580	41,002	-
Transfers					(411,485)	411,485	-	-
Total general revenues and transfers					22,970,268	523,024	23,493,292	45,663
Change in net position					1,180,806	922,739	2,103,545	(80,671)
Net position - November 1, 2014, as restated					18,825,078	38,908,990	57,734,068	(105,258)
Net position - October 31, 2015					\$ 20,005,884	\$ 39,831,729	\$ 59,837,613	\$ (185,929)

The accompanying notes are an integral part of the basic financial statements

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

Sales Tax Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 1960 one percent and the 1981 quarter percent sales and use tax levies. The one percent tax is dedicated for the support and maintenance of the police and fire departments, the construction and improvement of streets, bridges, or sewerage and for any work of permanent public improvement, including the cost of construction and improving sewers and sewerage disposal works in the City. The quarter percent tax is dedicated to supplement the cost of salaries of City employees, including employee benefits.

Garbage Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 1971 and 1993 quarter percent sales and use tax levies. The 1971 quarter percent is dedicated for operating, maintaining and improving the City's garbage waste collection and disposal facilities and purchasing and acquiring the land and equipment necessary in connection with the operation of said facilities. The 1993 quarter percent sales tax is dedicated to supplement other sales revenues of the City to pay the costs of solid waste collection and disposal, including the cost of the City's recycling program. The remaining proceeds of the tax is to be expended for the purpose of paying the cost of the salaries of City employees, including the payment of employee benefits.

Capital Projects Fund

Drainage Fund -

This fund accounts for the receipt and disbursement of the excess collections of the Iberia Parish Government mosquito control sales tax. The City utilizes these funds for drainage maintenance and improvement.

Enterprise Fund

Sewerage Fund -

To account for the provision of sewerage services to residents of the City. All activities necessary to provide the services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF NEW IBERIA, LOUISIANA

**Balance Sheet
Governmental Funds
October 31, 2015**

	<u>General</u>	<u>Sales Tax</u>	<u>Garbage</u>	<u>Drainage</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS						
Cash and interest-bearing deposits	\$6,404,640	\$ 557,092	\$ -	\$3,827,814	\$4,213,654	\$15,003,200
Receivables:						
Accounts	271,554	-	-	-	37	271,591
Assessments	-	-	-	-	122,731	122,731
Due from other governmental units	151,741	725,444	290,177	1,019,084	25,981	2,212,427
Real estate held for resale	61,343	-	-	-	-	61,343
Total assets	<u>\$6,889,278</u>	<u>\$1,282,536</u>	<u>\$290,177</u>	<u>\$4,846,898</u>	<u>\$4,362,403</u>	<u>\$17,671,292</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Overdraft	\$ -	\$ -	\$ 53,617	\$ -	\$ 26,155	\$ 79,772
Accounts payable	34,912	-	186,274	4,946	83,550	309,682
Contracts payable	46,128	-	-	761,098	-	807,226
Retainage payable	4,980	-	-	96,171	-	101,151
Accrued liabilities	140,553	-	-	-	55,967	196,520
Unearned revenue	17,324	-	-	-	233,200	250,524
Total liabilities	<u>243,897</u>	<u>-</u>	<u>239,891</u>	<u>862,215</u>	<u>398,872</u>	<u>1,744,875</u>
Fund balances -						
Restricted:						
Tax dedications	3,432,607	1,282,536	50,286	-	170,702	4,936,131
Construction of capital assets	-	-	-	-	2,003,733	2,003,733
Purpose of grantors, trustees and donors	-	-	-	-	68,315	68,315
Debt service	-	-	-	-	1,198,451	1,198,451
Drainage	-	-	-	3,984,683	-	3,984,683
Assigned - disaster relief	-	-	-	-	522,330	522,330
Unassigned	3,212,774	-	-	-	-	3,212,774
Total fund balances	<u>6,645,381</u>	<u>1,282,536</u>	<u>50,286</u>	<u>3,984,683</u>	<u>3,963,531</u>	<u>15,926,417</u>
Total liabilities and fund balances	<u>\$6,889,278</u>	<u>\$1,282,536</u>	<u>\$290,177</u>	<u>\$4,846,898</u>	<u>\$4,362,403</u>	<u>\$17,671,292</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
October 31, 2015**

Total fund balances for governmental funds at October 31, 2015	\$ 15,926,417
--	----------------------

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Those assets consist of:

Land and construction in progress	\$ 6,298,099	
Land improvements, net of \$898,468 accumulated depreciation	1,007,623	
Buildings and improvements, net of \$4,294,628 accumulated depreciation	4,355,455	
Equipment net of \$6,624,928 accumulated depreciation	1,615,123	
Infrastructure, net of \$53,909,938 accumulated depreciation	<u>28,596,032</u>	41,872,332

Certain receivables are not available to pay for the current period's expenditures and therefore, are deferred in the governmental funds.	1,082,020
---	-----------

Deferred outflows of expenditures are not a use of current resources, and therefore, are not reported in the governmental funds.

Deferred loss on bond refunding	303,440	
Deferred outflows of resources - pension	<u>2,464,426</u>	2,767,866

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.

Long-term liabilities at October 31, 2015 consist of:

Bonds payable	(23,752,730)	
Accrued interest payable	(307,854)	
Accrued compensated absences	(501,802)	
Net pension liability	(11,368,999)	
Other post employment benefits payable	<u>(5,060,233)</u>	(40,991,618)

The deferred inflows of contributions for the employees' retirement systems are not available resources, and therefore, are not reported in the governmental funds.

(651,133)

Total net position of governmental activities at October 31, 2015	<u>\$ 20,005,884</u>
---	-----------------------------

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

**Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended October 31, 2015**

	<u>General</u>	<u>Sales Tax</u>	<u>Garbage</u>	<u>Drainage</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Revenues:						
Taxes -						
Ad valorem	\$1,157,336	\$ -	\$ -	\$ -	\$3,265,413	\$ 4,422,749
Sales and use	1,782,246	8,911,229	3,564,492	-	-	14,257,967
Franchise	1,821,093	-	-	-	-	1,821,093
Licenses and permits	1,819,401	-	-	-	-	1,819,401
Intergovernmental -						
Federal	30,072	-	-	1,827,244	1,877,216	3,734,532
State	480,205	-	-	96,161	35,350	611,716
Local	138,804	-	-	1,229,749	25,981	1,394,534
Charges for services	47,240	-	-	-	107,247	154,487
Fines and forfeits	5,155	-	-	-	-	5,155
Investment income	19,359	5,744	1,654	9,385	13,596	49,738
Miscellaneous	300,900	-	500,000	-	163,781	964,681
Total revenues	<u>7,601,811</u>	<u>8,916,973</u>	<u>4,066,146</u>	<u>3,162,539</u>	<u>5,488,584</u>	<u>29,236,053</u>
Expenditures:						
Current -						
General government	2,042,240	78,850	31,540	-	12,350	2,164,980
Public safety	11,360,718	-	-	-	-	11,360,718
Public works	-	-	4,076,909	95,347	2,281,603	6,453,859
Culture and recreation	17,461	-	-	-	1,037,528	1,054,989
Urban redevelopment and housing	-	-	-	-	1,221,534	1,221,534
Debt service -						
Principal	-	-	-	-	2,046,600	2,046,600
Interest	-	-	-	-	952,284	952,284
Capital outlay	70,411	-	-	2,113,572	968,962	3,152,945
Total expenditures	<u>13,490,830</u>	<u>78,850</u>	<u>4,108,449</u>	<u>2,208,919</u>	<u>8,520,861</u>	<u>28,407,909</u>
Excess (deficiency) of revenues over expenditures	<u>(5,889,019)</u>	<u>8,838,123</u>	<u>(42,303)</u>	<u>953,620</u>	<u>(3,032,277)</u>	<u>828,144</u>
Other financing sources (uses):						
Transfers in	8,625,613	1,202,150	-	-	3,692,795	13,520,558
Transfers out	(2,202,038)	(9,547,777)	-	(30,395)	(2,159,799)	(13,940,009)
Total other financing sources (uses)	<u>6,423,575</u>	<u>(8,345,627)</u>	<u>-</u>	<u>(30,395)</u>	<u>1,532,996</u>	<u>(419,451)</u>
Net changes in fund balances	<u>534,556</u>	<u>492,496</u>	<u>(42,303)</u>	<u>923,225</u>	<u>(1,499,281)</u>	<u>408,693</u>
Fund balances, beginning	<u>6,110,825</u>	<u>790,040</u>	<u>92,589</u>	<u>3,061,458</u>	<u>5,462,812</u>	<u>15,517,724</u>
Fund balances, ending	<u>\$6,645,381</u>	<u>\$1,282,536</u>	<u>\$ 50,286</u>	<u>\$3,984,683</u>	<u>\$3,963,531</u>	<u>\$15,926,417</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended October 31, 2015

Total net changes in fund balances at October 31, 2015 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 408,693
The change in net position reported for governmental activities in the statement of activities is different because:		
Because some revenues are not considered measurable at year-end, they are not considered "available" revenues in the governmental funds		
Sales taxes		(121,703)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$2,450,059	
Depreciation expense for the year ended October 31, 2015	<u>(2,904,234)</u>	(454,175)
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal and capital leases are recorded as expenditures in the governmental funds but reduce liability in the statement of net position. Also governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:		
Principal paid on long-term debt	2,046,600	
Amortization of loss on refunding	(62,967)	
Amortization of bond premium	<u>89,747</u>	2,073,380
Governmental funds record bond interest expense when the payments are made. Bond interest payments owed for the current fiscal year which will be paid during the next fiscal year were accrued and are recorded as an expense in the statement of activities.		14,418
Compensated absences are recorded in the governmental funds when paid, but are recorded in the statement of activities when earned. This represents the amount compensated absences earned exceeded the amount paid in the current period.		9,065
Other post employment benefit expense not requiring the use of current economic sources and, therefore, not recorded as a fund expenditure		(607,706)
Pension expense not requiring the use of current economic sources and, therefore, not recorded as a fund expenditure		(506,700)
Non-employer's contributions to the employees' retirement plans		<u>365,534</u>
Total changes in net position at October 31, 2015 per Statement of Activities		<u>\$1,180,806</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
Proprietary Fund
October 31, 2015

	Sewerage Fund
ASSETS	
Current assets:	
Cash	\$ 1,476,255
Accounts receivable	431,172
Due from other governmental units	<u>670,612</u>
Total current assets	<u>2,578,039</u>
Noncurrent assets:	
Restricted cash	311,259
Capital assets -	
Land and construction in progress	7,968,439
Other capital assets, net of accumulated depreciation	<u>42,884,846</u>
Total noncurrent assets	<u>51,164,544</u>
Total assets	<u>53,742,583</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	47,557
Deferred outflows of resources - pension	<u>564,582</u>
Total deferred outflows of resources	<u>612,139</u>
LIABILITIES	
Current liabilities:	
Accounts payable	110,037
Contracts payable	530,823
Retainage payable	375,311
Accrued liabilities	48,628
Accrued compensated absences	16,285
Payable from restricted assets -	
Accrued interest	118,575
Bonds payable	<u>385,000</u>
Total current liabilities	<u>1,584,659</u>
Noncurrent liabilities:	
Accrued compensated absences	146,567
Bonds payable	10,375,027
Net pension liability	<u>2,289,495</u>
Total noncurrent liabilities	<u>12,811,089</u>
Total liabilities	<u>14,395,748</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	<u>127,245</u>
NET POSITION	
Net investment in capital assets	39,778,617
Restricted for debt service	192,684
Unrestricted	<u>(139,572)</u>
Total net position	<u>\$ 39,831,729</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Proprietary Funds
For the Year Ended October 31, 2015

	<u>Sewerage Fund</u>
Operating revenues:	
Charges for services -	
Customers	\$ 4,542,540
Parish government under cooperative agreement	<u>898,657</u>
Total operating revenues	<u>5,441,197</u>
Operating expenses:	
Cost of services rendered	3,364,794
Depreciation	<u>2,520,780</u>
Total operating expenses	<u>5,885,574</u>
Operating loss	<u>(444,377)</u>
Nonoperating revenues (expenses):	
Investment income	43,290
Interest expense	(275,908)
Non-employer pension contributions	38,056
Other, net	<u>30,193</u>
Total nonoperating revenues (expenses)	<u>(164,369)</u>
Loss before contributions and transfers	<u>(608,746)</u>
Capital contributions	<u>1,120,000</u>
Transfers:	
Transfers in	490,244
Transfers out	<u>(78,759)</u>
Total transfers in (out)	<u>411,485</u>
Change in net position	922,739
Net position, beginning, as restated	<u>38,908,990</u>
Net position, ending	<u>\$39,831,729</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

**Statement of Cash Flows
Proprietary Fund
For the Year Ended October 31, 2015**

	<u>Sewerage Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 4,489,628
Receipts from cooperative agreement	949,637
Payments to suppliers	(1,748,578)
Payments to employees	<u>(1,631,599)</u>
Net cash provided by operating activities	<u>2,059,088</u>
Cash flows from noncapital financing activities:	
Decrease in cash overdraft	(316,958)
Other, net	2,613
Transfers from other funds	490,244
Transfers to other funds	<u>(78,759)</u>
Net cash provided by noncapital financing activities	<u>97,140</u>
Cash flows from capital and related financing activities:	
Purchase and construction of capital assets	(4,901,950)
Bond proceeds received	3,659,711
Principal paid on bonds	(489,000)
Interest paid on bonds	(273,948)
Proceeds from grants/capital contributions	1,003,344
Proceeds from sales of capital assets	<u>27,580</u>
Net cash used by capital and related financing activities	<u>(974,263)</u>
Cash flows from investing activities:	
Investment income	<u>3,087</u>
Net increase in cash and cash equivalents	1,185,052
Cash and cash equivalents, beginning of period	<u>602,462</u>
Cash and cash equivalents, end of period	<u>\$ 1,787,514</u>

CITY OF NEW IBERIA, LOUISIANA

Statement of Cash Flows
Proprietary Funds - (Continued)
For the Year Ended October 31, 2015

	<u>Sewerage Fund</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (444,377)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	2,520,780
Pension expense	46,260
Changes in current assets and liabilities:	
Accounts receivable	(52,912)
Due from other governmental units	50,980
Accounts payable	(78,769)
Accrued liabilities	5,783
Accrued compensated absences	<u>11,343</u>
Net cash provided by operating activities	<u>\$2,059,088</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 293,192
Cash - restricted	<u>309,270</u>
Total cash and cash equivalents, beginning of period	<u>602,462</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	1,476,255
Cash - restricted	<u>311,259</u>
Total cash and cash equivalents, end of period	<u>1,787,514</u>
Net increase	<u>\$1,185,052</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
Fiduciary Funds
October 31, 2015

	Pension Trust Funds	Agency Funds
ASSETS		
Cash	\$ -	\$ 191,296
LIABILITIES		
Accounts payable	\$ -	\$ 17,778
Due to other funds	-	22,428
Held for others pending court action	-	151,090
Total liabilities	\$ -	\$ 191,296

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Statement of Changes in Fund Net Position
Fiduciary Funds
For the Year Ended October 31, 2015

	<u>Pension Trust Funds</u>
Additions:	
Transfer from Sales Tax Fund	\$ 7,966
Deductions:	
Benefit payments	<u>15,389</u>
Change in net position	(7,423)
Net position, beginning	<u>7,423</u>
Net position, ending	<u>\$ -</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

**Combining Statement of Net Position
All Discretely Presented Component Units
October 31, 2015**

	<u>City Court of New Iberia</u>	<u>New Iberia City Marshal</u>	<u>Iberia Home Mortgage Authority</u>	<u>Total</u>
ASSETS				
Cash and interest-bearing deposits	\$ 116,127	\$ 29,520	\$ -	\$ 145,647
Accounts receivable	-	3,180	-	3,180
Due from other external parties	22,428	-	-	22,428
Capital assets, net	<u>7,331</u>	<u>-</u>	<u>-</u>	<u>7,331</u>
Total assets	<u>145,886</u>	<u>32,700</u>	<u>-</u>	<u>178,586</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	<u>54,049</u>	<u>-</u>	<u>-</u>	<u>54,049</u>
LIABILITIES				
Accounts and other payables	4,540	-	-	4,540
Net pension liability	<u>361,483</u>	<u>-</u>	<u>-</u>	<u>361,483</u>
Total liabilities	<u>366,023</u>	<u>-</u>	<u>-</u>	<u>366,023</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	<u>52,541</u>	<u>-</u>	<u>-</u>	<u>52,541</u>
NET POSITION				
Net investment in capital assets	7,331	-	-	7,331
Unrestricted	<u>(225,960)</u>	<u>32,700</u>	<u>-</u>	<u>(193,260)</u>
Total net position	<u>\$ (218,629)</u>	<u>\$ 32,700</u>	<u>\$ -</u>	<u>\$ (185,929)</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Combining Statement of Activities
All Discretely Presented Component Units
For the Year Ended October 31, 2015

	City Court of New Iberia	New Iberia City Marshal	Iberia Home Mortgage Authority	Total
Expenses	\$ 554,976	\$ 130,866	\$ 96,186	\$ 782,028
Program revenues:				
Fees and fines	344,948	45,887	-	390,835
Operating grants and contributions	195,302	69,557	-	264,859
Total program revenues	<u>540,250</u>	<u>115,444</u>	<u>-</u>	<u>655,694</u>
Net (expense) revenue	<u>(14,726)</u>	<u>(15,422)</u>	<u>(96,186)</u>	<u>(126,334)</u>
General revenues:				
Investment income	-	-	17	17
Miscellaneous	45,646	-	-	45,646
Total general revenues	<u>45,646</u>	<u>-</u>	<u>17</u>	<u>45,663</u>
Change in net position	30,920	(15,422)	(96,169)	(80,671)
Net position, beginning as restated	<u>(249,549)</u>	<u>48,122</u>	<u>96,169</u>	<u>(105,258)</u>
Net position, ending	<u>\$ (218,629)</u>	<u>\$ 32,700</u>	<u>\$ -</u>	<u>\$ (185,929)</u>

The accompanying notes are an integral part of the basic financial statements.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of New Iberia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government –

The City of New Iberia operates under a home rule charter. The charter provides for the Mayor-City Council form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, certain social services (including urban redevelopment and housing) and general administrative services. The City owns and operates one enterprise activity, a sewerage fund which provides sewerage services.

Component Units –

Professional standards establish criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. Based on the criteria, the following are component units of the City.

City Court of New Iberia – The day-to-day operations of the City Court are funded through the City of New Iberia. In addition, the activities of the Court are primarily for City residents. The City has responsibility for funding any deficits of the Court. The City Court's fiscal year end is June 30.

New Iberia City Marshal – The day-to-day operations of the City Marshal are funded through the City of New Iberia. In addition, the activities of the Marshal are primarily for City residents. The City has responsibility for funding any deficits of the City Marshal. The City Marshal's fiscal year end is June 30.

Iberia Home Mortgage Authority – The Authority was formed as a public trust on January 16, 1979 pursuant to Chapter 2-A of Title 9 of the Louisiana revised statutes. The beneficiary of the trust is the City of New Iberia. The Authority was created to provide financing to low and moderate income families within the Parish of Iberia. The governing body is comprised of a ten-member Board of Trustees consisting of the Mayor of the City of New Iberia. The City has responsibility for funding any deficits of the Authority and approves its operating budget. The Authority's fiscal year end is March 31.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The major funds of the City are described below:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds -

Sales Tax Fund

The Sales Tax Fund is used to account for the receipts and disbursements of proceeds from the City's 1.25% sales and use tax levies that are legally restricted for expenditures for specific purposes.

Garbage Fund

This fund accounts for the receipt and use of proceeds of two of the City's .25% sales and use tax levies that are legally restricted for expenditures for specific purposes.

Capital Projects Fund -

Drainage Fund

This fund accounts for the receipt and disbursement of the excess collections of the Iberia Parish Government mosquito control sales tax. The City utilizes these funds for drainage maintenance and improvement.

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of New Iberia's enterprise fund is the Sewerage Fund.

In addition, the City reports the following:

Pension Trust Funds --

These funds account for the accumulation of resources to be used for police retirement annuity payments at appropriate amounts and times in the future.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and cash equivalents

For purposes of the statement of net position, cash and interest-bearing deposits include all demand, savings, and money market deposits, as well as cash on hand. The cash balances of the majority of the City's funds are pooled by the City. For purposes of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and highly liquid investments with an original maturity of three months or less.

Investments

State statutes authorize the City to invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

In accordance with GASB Statement No. 31, investments meeting the criteria specified in the Statement are stated at fair value. Investments which do not meet the requirements are stated at cost. At October 31, 2015, the City did not have any investments.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report sewer customer's utility service receivables as their major receivables. All utility service receivables are considered collectible and accordingly, there is no allowance for doubtful accounts at October 31, 2015.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Restricted Assets

Restricted assets include cash, interest-bearing deposits and investments that are legally restricted as to their use.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to November 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Land improvements	20-30 years
Buildings and improvements	10-40 years
Equipment	5-15 years
Infrastructure	20-50 years
Sewer plant	5-35 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable, general obligation refunding bonds, and certificate of indebtedness payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Employees of the City earn annual leave in amounts ranging from eight hours per month to sixteen hours per month, depending upon length of service. At the end of each year, employees may carry forward annual leave earned but not taken with the maximum allowable carryover of unused annual leave being equal to ten days. Unused annual leave in excess of what can be carried forward is credited to the employee's sick leave balance. Unused annual leave is paid to an employee upon retirement or resignation at hourly rates being earned by that employee upon separation.

Effective April 1, 1997, sick leave is credited to all classified employees at the rate of twelve hours per month. All unused sick leave is carried forward from year to year. Employees separated due to retirement or deaths are paid for all accumulated sick leave earned between January 1, 1991 and December 31, 1994 at the hourly rates being earned by the employee at that time.

Compensatory leave is earned at a rate of one and one-half hours for each hour of overtime worked. The maximum accumulation of compensatory leave is 120 hours. It may be carried forward from year to year. Upon termination, unused compensatory leave is paid up to 120 hours.

Firemen earn vacation and sick leave in accordance with state law. Firemen are paid for any overtime hours worked.

In the government-wide and proprietary fund statements, the City accrues accumulated unpaid annual, sick, and compensatory leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. In accordance with GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Government Fund Financial Statements," no compensated absences liability is recorded in the governmental fund financial statements.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. At October 31, 2015, the City reported \$11,009,294 of restricted net position, \$6,018,151 of which was restricted by enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Mayor and City Council, which is the highest level of decision-making authority for the City.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by the Mayor or the City Council.
- e. Unassigned – all other spendable amounts.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City has provided otherwise in their commitment or assignment actions.

Proprietary fund equity is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Ad Valorem Tax	See Note 2
Sales Tax	See Note 3
Sewerage Revenue	Debt Service and Utility Operations

The City uses unrestricted resources only when restricted resources are fully depleted.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

G. Capitalization of Interest Expense

It is the policy of the City of New Iberia to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. During the fiscal year ended October 31, 2015, there was no interest capitalized.

H. Bond Premium and Bond Issue Costs

Bond premium is being amortized by the straight-line method over the life of the related bond. Bond issue costs are expensed in the year they are incurred.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Report Reclassification

Certain previously reported amounts for the year ended October 31, 2014 have been reclassified to conform to the October 31, 2015 classifications.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. The taxes are based on assessed values determined by the Tax Assessor of Iberia Parish and are collected by the City. Taxes were levied by the City and were billed to taxpayers in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. City property tax revenues are budgeted in the year billed.

For the year ended October 31, 2015, taxes of 22.05 mills were levied on property with assessed valuations totaling \$198,212,911 and were dedicated for general corporate purposes (5.77 mills), parks and recreation (2.96 mills), streets and bridges (2.89 mills), general obligation debt service (6.65 mills), and debt service (3.78 mills).

Gross taxes levied for the current fiscal year totaled \$4,370,595. The taxes are remitted to the City net of deductions for pension fund contributions.

(3) Sales and Use Tax

A. Proceeds of a ¼% sales and use tax, accounted for in the General Fund, are dedicated to supplement the cost of salary and benefit increases for firemen. This tax is perpetual.

B. Proceeds of a ¼% sales and use tax levied by the City of New Iberia, accounted for in the Garbage Fund, are dedicated to operate, maintain, and improve the City's garbage and waste collection and disposal facilities and purchasing and acquiring the land and equipment necessary in connection with the operation of said facilities. This tax is in lieu of a monthly charge for residential garbage and waste collection and disposal. This tax is perpetual.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

- C. Proceeds of a ¼% sales and use tax, accounted for in the Garbage Fund, are dedicated to supplement other sales tax revenues of the City to pay the cost of solid waste collection and disposal, including the cost of the City's recycling program. The remaining proceeds of the tax to be expended for the purpose of paying the cost of the salaries of City employees, including the payment of employee benefits. This tax was renewed in 2003 as a perpetual tax.
- D. Proceeds of a 1% sales and use tax, accounted for in the Sales Tax Fund, are dedicated to support and maintenance of the police and fire departments, the construction and improvement of streets, bridges or sewerage and for any work of permanent public improvement, including the cost of construction and improving sewers and sewerage disposal works in the City. This tax is perpetual.
- E. Proceeds of a ¼% sales and use tax, accounted for in the Sales Tax Fund, are dedicated to supplement the cost of salary and benefit increases for firemen. This tax is perpetual.

(4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At October 31, 2015, the City had cash and interest-bearing deposits (book balances) totaling \$16,982,010, as follows:

	Primary Government	Fiduciary Funds	Total
Interest-bearing deposits	<u>\$ 16,790,714</u>	<u>\$191,296</u>	<u>\$ 16,982,010</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at October 31, 2015, are secured as follows:

Bank balances	<u>\$ 17,681,182</u>
Federal deposit insurance	3,308,012
Pledged securities	<u>14,373,170</u>
Total	<u>\$ 17,681,182</u>

Deposits in the amount of \$14,373,170 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(5) Receivables

Receivables at October 31, 2015 of \$702,763 (\$271,591 and \$431,172 for governmental and business-type activities, respectively) consist of the following:

	General Fund	Other Governmental Funds	Proprietary Fund	Total
Accounts (net)	\$ -	\$ -	\$431,172	\$431,172
Franchise taxes	271,554	-	-	271,554
Other	-	37	-	37
Totals	<u>\$271,554</u>	<u>\$ 37</u>	<u>\$431,172</u>	<u>\$702,763</u>

(6) Due from Other Governmental Units

Amounts due from other governmental units at October 31, 2015 of \$3,959,842 (\$3,289,230 and \$670,612 for governmental and business-type activities, respectively) consist of the following:

Governmental funds:

Federal grants - Community Development Block Grant	\$ 743,788
State grants	122,142
Iberia Parish School Board - sales and use taxes for September 2015	1,160,710
Iberia Parish Government	179,135
Other local	6,652
Total amount reported in governmental funds	<u>2,212,427</u>

Proprietary Fund:

Federal grants - Environmental Protection Agency	289,483
State grants	254,453
Iberia Parish Government - sewerage user fees	126,676
Total amount reported in Proprietary Fund	<u>670,612</u>

Government-wide financial statements:

Total amount reported in governmental funds	2,212,427
Total amount reported in Proprietary Fund	670,612
Iberia Parish School Board - sales and use taxes for October 2015	1,076,803
Total	<u>\$3,959,842</u>

(7) Restricted Assets - Proprietary Fund

Restricted assets in the amount of \$311,259 consist of the sinking fund cash account for the Revenue Refunding Bonds, Series 2010B in the Sewerage Fund as of October 31, 2015.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended October 31, 2015 was as follows:

	Balance 11/01/14	Additions	Deletions	Balance 10/31/15
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,460,355	\$ -	\$ -	\$ 3,460,355
Construction in progress	678,331	2,159,413	-	2,837,744
Other capital assets:				
Land improvements	1,906,091	-	-	1,906,091
Buildings and improvements	8,578,213	120,641	48,771	8,650,083
Equipment	8,611,520	222,041	593,510	8,240,051
Infrastructure	82,505,970	-	-	82,505,970
Totals	<u>105,740,480</u>	<u>2,502,095</u>	<u>642,281</u>	<u>107,600,294</u>
Less accumulated depreciation				
Land improvements	822,019	76,449		898,468
Buildings and improvements	4,107,972	186,656	-	4,294,628
Equipment	6,729,094	486,079	590,245	6,624,928
Infrastructure	51,754,888	2,155,050	-	53,909,938
Total accumulated depreciation	<u>63,413,973</u>	<u>2,904,234</u>	<u>590,245</u>	<u>65,727,962</u>
Governmental activities, capital assets, net	<u>\$ 42,326,507</u>	<u>\$ (402,139)</u>	<u>\$ 52,036</u>	<u>\$ 41,872,332</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,437,788	\$ -	\$ -	\$ 1,437,788
Construction in progress	2,385,301	5,562,109	1,416,759	6,530,651
Other capital assets:				
Buildings and improvements	390,598	-	-	390,598
Equipment	2,314,600	65,213	61,743	2,318,070
Sewer plant	64,220,077	1,509,010	53,545	65,675,542
Totals	<u>70,748,364</u>	<u>7,136,332</u>	<u>1,532,047</u>	<u>76,352,649</u>
Less accumulated depreciation				
Buildings and improvements	38,349	11,160	-	49,509
Equipment	1,386,528	81,676	61,743	1,406,461
Sewer plant	21,668,995	2,427,944	53,545	24,043,394
Total accumulated depreciation	<u>23,093,872</u>	<u>2,520,780</u>	<u>115,288</u>	<u>25,499,364</u>
Business-type activities, capital assets, net	<u>\$ 47,654,492</u>	<u>\$ 4,615,552</u>	<u>\$ 1,416,759</u>	<u>\$ 50,853,285</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 128,176
Public safety	205,481
Public works	245,993
Culture and recreation	169,534
Infrastructure depreciation is unallocated	2,155,050
Total depreciation expense	<u>\$ 2,904,234</u>

Depreciation expense was charged to business-type activities as follows:

Sewer	<u>\$ 2,520,780</u>
-------	---------------------

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at October 31, 2015:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 304,465	\$ 110,037	\$ 414,502
Contracts and retainage	908,377	906,134	1,814,511
Other liabilities	196,520	48,628	245,148
Totals	<u>\$ 1,409,362</u>	<u>\$ 1,064,799</u>	<u>\$ 2,474,161</u>

(10) Long-Term Liabilities

Governmental Activities:

The City issues general obligation bonds and certificates of indebtedness to provide funds for the acquisition, construction or improvement of major capital facilities. General obligation bonds have also been issued to refund other general obligation bonds. These bonds are direct obligations and pledge the full faith and credit of the City.

In addition, the City has borrowed proceeds from revenue bonds issued by the Louisiana Local Government Environmental Facilities and Community Development Authority (LLGEFCDA) to finance the costs of the acquisition, rehabilitation, improvement and expansion of roads within the limits of the City, and to refund public improvement bonds. These bonds are to be repaid from lawfully available funds.

Business-type Activities:

The City has borrowed proceeds from revenue bonds issued by the LLGEFCDA to refund revenue bonds. Additionally, the City has borrowed proceeds from revenue bonds issued by the Louisiana Department of Environmental Quality to finance the costs of constructing and acquiring improvements and replacements to the sewer system of the City.

The City was in compliance with all significant limitations and restrictions in the bond indentures at October 31, 2015.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term liabilities payable at October 31, 2015 is comprised of the following:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation refunding bonds -					
Series 2010	2010	2026	2.0%-4.5%	\$ 7,565,000	\$ 675,000
Series 2013	2013	2025	2.06%	<u>3,030,000</u>	<u>255,000</u>
				<u>10,595,000</u>	<u>930,000</u>
Certificates of indebtedness -					
Street certificates	2005	2020	4.10%	1,265,000	230,000
Paving certificates	2007	2017	4.375%	117,000	58,500
Sewerage certificates	2007	2017	4.40%	<u>16,200</u>	<u>8,100</u>
				<u>1,398,200</u>	<u>296,600</u>
Revenue bonds payable -					
Revenue Bonds, Series 2009	2009	2035	2.0%-4.5%	6,925,000	235,000
Revenue Bonds, Series 2010A	2010	2020	2.0%-4.0%	825,000	535,000
Revenue Bonds, Series 2010C	2010	2036	2.0%-5.0%	<u>3,550,000</u>	<u>115,000</u>
				<u>11,300,000</u>	<u>885,000</u>
Add: Unamortized issue premium				<u>459,530</u>	<u>-</u>
Total bond indebtedness				<u>23,752,730</u>	<u>2,111,600</u>
Other liabilities -					
Accrued compensated absences				<u>501,802</u>	<u>50,180</u>
Total long-term liabilities - governmental activities				<u>\$ 24,254,532</u>	<u>\$2,161,780</u>
Business-type activities:					
Revenue bonds payable -					
Revenue Refunding Bonds, Series 2010B	2010	2026	2.0%-5.0%	\$ 5,290,000	\$ 385,000
Loan payable -					
DEQ loan, Series 2013	2013	2033	0.95%	<u>5,210,959</u>	<u>-</u>
				<u>10,500,959</u>	<u>385,000</u>
Add: Unamortized issue premium				<u>259,068</u>	<u>-</u>
Total bond indebtedness				<u>10,760,027</u>	<u>385,000</u>
Other liabilities -					
Accrued compensated absences				<u>162,852</u>	<u>16,285</u>
Total long-term liabilities - business-type activities				<u>\$ 10,922,879</u>	<u>\$ 401,285</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The following is a summary of long-term liabilities transactions of the City for the year ended October 31, 2015:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
General obligation refunding bonds -				
Series 2010	\$ 8,215,000	\$ -	\$ 650,000	\$ 7,565,000
Series 2013	3,275,000	-	245,000	3,030,000
	<u>11,490,000</u>	<u>-</u>	<u>895,000</u>	<u>10,595,000</u>
Certificates of indebtedness -				
Street certificates	1,485,000	-	220,000	1,265,000
Paving certificates	175,500	-	58,500	117,000
Sewerage certificates	24,300	-	8,100	16,200
	<u>1,684,800</u>	<u>-</u>	<u>286,600</u>	<u>1,398,200</u>
Revenue bonds -				
Revenue Bonds, Series 2009	7,155,000	-	230,000	6,925,000
Revenue Bonds, Series 2010A	1,345,000	-	520,000	825,000
Revenue Bonds, Series 2010C	3,665,000	-	115,000	3,550,000
	<u>12,165,000</u>	<u>-</u>	<u>865,000</u>	<u>11,300,000</u>
Add: Unamortized issue premium	549,277	-	89,747	459,530
Total bond indebtedness	25,889,077	-	2,136,347	23,752,730
Other liabilities -				
Accrued compensated absences	510,867	9,066	18,131	501,802
Total governmental activities	<u>\$ 26,399,944</u>	<u>\$ 9,066</u>	<u>\$2,154,478</u>	<u>\$24,254,532</u>
Business-type activities:				
Revenue bonds payable -				
Revenue Refunding				
Bonds, Series 2010B	\$ 5,660,000	\$ -	\$ 370,000	\$ 5,290,000
Loan payable -				
DEQ loan, Series 2013	1,380,765	3,949,194	119,000	5,210,959
Add: Unamortized issue premium	299,271	-	40,203	259,068
Total bond indebtedness	7,340,036	3,949,194	529,203	10,760,027
Other liabilities -				
Accrued compensated absences	151,509	11,609	266	162,852
Total business-type activities	<u>\$ 7,491,545</u>	<u>\$ 3,960,803</u>	<u>\$ 529,469</u>	<u>\$10,922,879</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The annual debt service requirements to maturity of all bonds and certificates of indebtedness is as follows:

Year ending October 31,	General Obligation Refunding Bonds		
	Principal payments	Interest payments	Total
2016	\$ 930,000	\$ 376,191	\$ 1,306,191
2017	965,000	343,336	1,308,336
2018	1,005,000	309,173	1,314,173
2019	1,050,000	271,654	1,321,654
2020	1,095,000	230,590	1,325,590
2021-2025	5,435,000	491,623	5,926,623
2026-2030	115,000	2,588	117,588
Total	<u>\$ 10,595,000</u>	<u>\$ 2,025,155</u>	<u>\$ 12,620,155</u>

Year ending October 31,	Revenue Bonds		
	Principal payments	Interest payments	Total
2016	\$ 1,270,000	\$ 686,285	\$ 1,956,285
2017	850,000	648,185	1,498,185
2018	860,000	617,510	1,477,510
2019	895,000	582,710	1,477,710
2020	910,000	546,860	1,456,860
2021-2025	4,850,000	2,151,450	7,001,450
2026-2030	3,330,000	1,160,873	4,490,873
2031-2035	3,375,000	470,726	3,845,726
2036	250,000	6,250	256,250
Total	<u>\$ 16,590,000</u>	<u>\$ 6,870,849</u>	<u>\$ 23,460,849</u>

Year ending October 31,	Certificates of Indebtedness		
	Principal payments	Interest payments	Total
2016	\$ 296,600	\$ 57,697	\$ 354,297
2017	306,600	45,350	351,950
2018	250,000	32,595	282,595
2019	265,000	22,345	287,345
2020	280,000	11,480	291,480
Total	<u>\$ 1,398,200</u>	<u>\$ 169,467</u>	<u>\$ 1,567,667</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Post Retirement Health Care and Life Insurance Benefits

Plan Description: The City extends medical benefits to qualifying employees upon actual retirement through a fully-insured plan. A covered employee is an employee of the City, an employee of the New Iberia City Court, or an elected official of the City who attains retirement eligibility (DROP entry). A covered employee may retire upon attainment of the earliest retirement age provided by the respective retirement plan under which the employee participates as detailed in Note 12. Additionally, an employee must have been in continuous covered employment for the immediate 10 years prior to retirement and participated in the healthcare plan for the immediate two years prior to retirement. There are other provisions for approved disability retirement and elected officials.

Contribution Rates: Employees do not contribute to their post-employment benefit costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy: Until fiscal year 2009, the City recognized the cost of providing postemployment medical benefits (City's portion of retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the postemployment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning November 1, 2008, the City implemented Governmental Accounting Standards Board Codification Section P50, "Accounting and Financial Reporting for Post employment Benefits Other than Pensions." The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

Annual OPEB Cost: The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Codification Section P50. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years. The City utilizes the level-dollar amortization method on an open basis to amortize the unfunded actuarial accrued liability.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

Annual required contribution	\$ 86,956
Interest on net OPEB obligation	178,101
Adjustment to annual required contribution	<u>586,876</u>
Annual OPEB cost (expense)	851,933
Contributions made	<u>(244,227)</u>
Increase in net OPEB obligation	607,706
Net OPEB obligation - beginning of year	<u>4,452,527</u>
Net OPEB obligation - end of year	<u>\$ 5,060,233</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of 2013, 2014, and 2015 follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
10/31/2013	\$ (14,435)	-1566.6%	\$ 4,678,470
10/31/2014	194	116565.5%	4,452,527
10/31/2015	851,933	28.7%	5,060,233

Funded Status and Funding Progress: The funded status of the plan as of November 1, 2012, was as follows:

Actuarial accrued liability (AAL)	\$ 5,060,233
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 5,060,233</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	\$ 5,914,548
UAAL as a percentage of covered payroll	85.6%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the City's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of future costs. Deviations in any of several factors, such as future interest rates, medical cost inflation, medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Method of Determining Value of Benefits: The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. For the fire department only, the employer pays for a variable percentage of the retiree medical coverage (for retirees only, not dependents) based on length of service at retirement, but it is based on the blended active/retired rate. For those retiring with at least 20 years of service, the retiree pays 0% of the blended rate; for at least 10 years of service but less than 20 years, the retiree pays 50% of the blended rate, for less than 10 years of service, the retiree pays 100% of the blended rate. For those retirees of City departments other than the fire department, the retiree pays 100% of the "cost" but also based on the blended rate and there is thus an implied subsidy for those retirees.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the November 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.
2. Turnover Rates – An age related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 15%.
3. The healthcare cost trend rate is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5% for ten years out and later.
4. General Inflation Rate – 2.5% per annum, compounded annually.

(12) Pension Plans

Substantially all employees of the City participate in one of three multiple-employer public retirement systems (PERS) which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System (MERS) of Louisiana, the State of Louisiana – Firefighters' Retirement System (FRS), and the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from the systems' fiduciary net position have been determined on the same basis as they are reported by the systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Pertinent information relative to each plan follows:

A. Municipal Employees' Retirement System of Louisiana (MERS)

Plan Description: Employees of the City are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:1731 to provide retirement, disability and survivor benefits to employees of all incorporated villages, towns and cities throughout the State of Louisiana. MERS is the administrator of this plan. MERS is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A. MERS issues a publicly available financial report that can be obtained at www.mersla.com.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Benefits Provided: The following is a description of the Plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements: Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the MERS with exceptions as outlined in the statutes.

Retirement: Any member of Plan A, who was hired before January 1, 2013 can retire providing the member meets one of the following criteria:

- a. Any age with twenty-five (25) years of creditable service.
- b. Age 60 with a minimum of ten (10) or more years of creditable service.
- c. Any age with five (5) years of creditable service eligible for disability benefits.
- d. Survivor's benefits require five (5) years creditable service at death of member.
- e. Any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit.

Eligibility for retirement for Plan A members hired on or after January 1, 2013 is as follows:

- a. Age 67 with seven (7) or more years of creditable service.
- b. Age 62 with ten (10) or more years of creditable service.
- c. Age 55 with thirty (30) or more years of creditable service.
- d. Any age with twenty five (25) years of creditable service, exclusive of military service and unused sick leave. However, any member retiring under this subsection shall have their benefit actuarially reduced from the earliest age of which the member would be entitled to a vested deferred benefit under any provision of this section, if the member had continued in service to that age.

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to two percent of the member's monthly average final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits: Upon death of any member of Plan A with five (5) or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred Retirement Option Plan (DROP) Benefits: In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of MERS has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in MERS.

Disability Benefits: For Plan A, a member shall be eligible to retire and receive a disability benefit if he has at least five years of creditable service; is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of forty-five percent of his final average compensation or three percent of his final average compensation multiplied by his years of creditable service, whichever is greater; or an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service, projected to his earliest normal retirement age.

Cost of Living Increases: MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows MERS to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Deferred Benefits: Plan A provides for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions: Contribution requirements of active employees are governed by Louisiana Revised Statutes (La. R.S. 11:1731) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to MERS by participating employers. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2015, the actual employer contribution rate was 19.75% of annual payroll for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. In accordance with state statute, MERS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions were recognized as revenue during the year ended October 31, 2015 and excluded from pension expense. Contributions to the pension plan from the City were \$673,246 for the year ended October 31, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At October 31, 2015, the City reported a liability of \$7,044,600 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion was 1.972086%, which was a decrease of .048785% from its proportion measured as of June 30, 2014.

For the year ended October 31, 2015, the City recognized pension expense of \$844,417 less employer's amortization of changes in proportionate share and differences between employer contributions and proportionate share of contributions, \$28,833.

At October 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to MERS from the following sources:

	Governmental Activities		Business-type Activities	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ 196,609	\$ -	\$ 94,664
Changes of assumptions	397,225	-	191,256	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	14,373	67,669	6,920	32,581
Net differences between projected and actual earnings on plan investments	604,051	-	290,840	-
Contributions subsequent to the measurement date	156,945	-	75,566	-
Total	<u>\$ 1,172,594</u>	<u>\$ 264,278</u>	<u>\$ 564,582</u>	<u>\$ 127,245</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$232,511 related to MERS resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended October 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to MERS will be recognized in pension expense as follows:

Year Ended October 31	
2016	\$ 247,624
2017	359,375
2018	194,374
2019	311,769
	<u>\$1,113,142</u>

Actuarial Assumptions: A summary of the actuarial methods and assumptions used in determining the total pension liability of MERS as of June 30, 2015 are as follows:

Valuation date	June 30, 2015
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	7.5% per annum
Projected salary increases	5.0% (2.875% inflation and 2.125% merit)
Inflation rate	3% per annum
Mortality rates	RP-2000 Employee Table for active members (set back 2 years for males and females) RP-2000 Healthy Annuitant Table for healthy annuitants (set forward 2 years for males and 1 year for females) RP-2000 Disabled Lives Mortality Tables for disabled annuitants (set back 5 years for males and 3 years for females)
Expected remaining service lives	3 years
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the MERS and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a reliable experience. The aggregated data was collected over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of MERS's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedures indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.4% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 8.35 for the year ended June 30, 2015.

Best estimates of arithmetic real rates of return for each major asset class included in the MERS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return *
Public equity	50%	2.95%
Public fixed income	15%	0.89%
Alternatives	35%	2.06%
Total	100%	

* Arithmetic real rates of return

Discount rate: The discount rate used to measure MERS's pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of MERS's actuary. Based on those assumptions, MERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents MERS's proportionate share of the net pension liability using the discount rate of 7.5%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate at June 30, 2015:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Employer's proportionate share of the net pension liability	\$ 9,219,234	\$7,044,600	\$5,191,781

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Municipal Employees' Retirement System of Louisiana stand-alone audit report on their financial statements for the year ended June 30, 2015 at www.mersla.com.

B. State of Louisiana – Firefighters' Retirement System of Louisiana (FRS)

Plan Description: Firefighters of the City are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Firefighters' Retirement System of Louisiana. Membership in the FRS is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the FRS. The FRS provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the FRS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. Benefit provision are authorized within Act 434 of 1979 and amended by Louisiana Revised Statutes (La. R.S. 11:2251 – 11:2272). FRS issues a publicly available financial report that can be obtained at www.lafirefightersret.com.

Benefits Provided: The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in La. R.S. 11:2252 on or after January 1, 1980 shall become a member as a condition of employment. No person who has attained age fifty or over shall become a member of the FRS, unless the person becomes a member by reason of a merger or unless the FRS received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the FRS.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits there from may become a member of the FRS, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with the FRS, or for any other purpose in order to attain eligibility or increase the amount of service credit in the FRS.

Deferred Retirement Option Plan: After completing 20 years of creditable service and age 50 or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months. Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the FRS cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit. If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the FRS. No payments may be made from the deferred retirement option plan account until the participant retires.

Initial Benefit Option Plan: Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Contributions: Contribution requirements of active employees are governed by Act 434 of 1979 and amended by Louisiana Revised Statutes (La. R.S. 11:2251 – 11:2272) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to FRS by participating employers. Employer contributions are actuarially determined each year. For the year ending October 31, 2015, the average actual employer contribution rate was 28.96% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. In accordance with state statute, the FRS receives insurance premium tax monies as additional employer contributions. Non-employer contributions were recognized as revenue during the year ended October 31, 2015 and excluded from pension expense. Contributions to the pension plan from the City were \$723,823 for the year ended October 31, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At October 31, 2015, the City reported a liability of \$6,463,037 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion was 1.197499% which was a decrease of 0.020244% from its proportion measured as of June 30, 2014.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

For the year ended October 31, 2015, the City recognized pension expense of \$1,083,459 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources of \$41,804.

At October 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 295,381
Changes of assumptions	81,004	2,728
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	281,472	86,942
Net differences between projected and actual earnings on plan investments	693,208	-
Contributions subsequent to the measurement date	230,524	-
Total	<u>\$ 1,286,208</u>	<u>\$ 385,051</u>

Deferred outflows of resources related to pensions of \$230,524 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended October 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year Ended October 31	
2016	\$ 145,647
2017	145,647
2018	145,647
2019	263,889
2020	1,905
Thereafter	(32,102)
	<u>\$ 670,633</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Actuarial Assumptions: A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 are as follows:

Valuation date	June 30, 2015
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	7.5% per annum
Projected salary increases	Vary from 15.0% in the first two years to 4.75% after 25 years
Inflation rate	2.875% per annum
Expected remaining service lives	7 years
Cost of living adjustments	Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the FRS's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected nominal rate of return was 8.24% as of June 30, 2015. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return *
Fixed income	24%	1.84%
Equity	51%	6.50%
Alternatives	15%	6.96%
Other	10%	4.36%
Total	100%	

*Arithmetic real rates of return

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.5%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or higher than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Employer's proportionate share of the net pension liability	\$ 9,168,454	\$ 6,463,037	\$ 4,188,850

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Firefighters' Retirement of Louisiana stand-alone audit report on their financial statements for the year ended June 30, 2015 at www.lafirefightersret.com.

C. Louisiana State Employees' Retirement System (LASERS)

Plan Description: Employees of the City are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided: The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement: The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Retirement Benefits: The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the LASERS's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the LASERS's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits: All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits: Certain eligible servicing dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Permanent Benefit Increases/Cost-of-Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, the LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions: Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended October 31, 2015 for the City's judges in the LASERS were 13.0% for the employee and 39.3% for the City.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The City's contractually required composite contribution rate for the year ended October 31, 2015 was 52.3% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contributions to the pension plan from the City were \$15,280 for the year ended October 31, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At October 31, 2015, the City reported a liability of \$150,857 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion was 0.00222% which was a increase of 0.00021% from its proportion measured as of June 30, 2014.

For the year ended October 31, 2015, the City recognized pension expense of \$9,440 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources of \$15,025.

At October 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 202	\$1,236
Changes of assumptions	-	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	432
Net differences between projected and actual earnings on plan investments	-	136
Contributions subsequent to the measurement date	<u>5,422</u>	<u>-</u>
Total	<u>\$5,624</u>	<u>\$1,804</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources related to pensions of \$5,422 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended October 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

<u>Year Ended</u> <u>October 31</u>	
2016	\$ (2,482)
2017	(1,245)
2018	(1,131)
2019	3,256
	<u>\$ (1,602)</u>

Actuarial Assumptions: A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2015 are as follows:

Valuation date	June 30, 2015
Actuarial cost method	Entry Age Normal Cost
Actuarial assumptions:	
Investment rate of return	7.75% per annum
Inflation rate	3.0% per annum
Expected remaining service lives	3 years
Mortality	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015 Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Table with no projection for improvement
Termination, Disability, and Retirement	Based on a five year (2009-2013) experience study of the LASERS' members
Salary increases	Based on a 2009-2013 experience study of the LASERS' members The salary increase for judges ranges from 3.0% to 5.5%.
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by LASERS and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Expected Long-term Real Rate of Return *
Domestic	27%	4.56%
International equity	30%	5.67%
Domestic fixed income	10%	2.24%
International fixed income	2%	3.64%
Alternative investments	24%	7.82%
Global asset allocation	7%	3.70%
Total fund	100%	

*Geometric real rates of return

Discount Rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the employer's proportionate share of the net pension liability using the discount rate of 7.75%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Employer's proportionate share of the net pension liability	\$ 190,415	\$ 150,857	\$ 117,264

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2015 Comprehensive Annual Financial Report at www.lasersonline.org.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Compensation of City Officials

A detail of compensation paid to the Mayor and City Council for the year ended October 31, 2015 follows:

Hilda Curry, Mayor	\$ 89,653
City Council	
Calvin Begnaud	11,400
Dan Doerle	12,600
Peggy Garac	11,400
Raymond Lewis	11,400
Natalie Lopez	11,400
David Merrill	11,400
Robert Suire	11,400
	<u>\$ 170,653</u>

(14) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Hilda Curry, Mayor from November 1, 2014 through October 31, 2015 follows:

Salary	\$ 89,653
Benefits - insurance	11,108
Benefits - retirement	17,706
Benefits - medicare	1,464
Car allowance	12,000
Registration fees	410
Conference travel (hotel)	960
	<u>\$ 133,301</u>

(15) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(16) On-Behalf Payments of Salaries

During the year ended October 31, 2015, the State of Louisiana paid the City's firemen \$293,033 of supplemental pay, which is included in the accompanying financial statements as intergovernmental revenues and public safety expenditures in the government-wide and General Fund financial statements.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(17) Contingent Liabilities

The City owns and operates treatment works known as the Sucrose Drive Wastewater Treatment Plant located in the City that treats and discharges domestic and commercial sewage from the City and adjacent unincorporated areas and the Tete Bayou Wastewater Treatment Plant that serves citizens of the City and Iberia Parish under NPEDS permits. The United States of America on behalf of the EPA has filed a complaint seeking injunctive relief and civil penalties pursuant to Section 309 of the Clean Water Act, 33 U.S.C. subsection 1319(e), naming as defendant the City of New Iberia pursuant to Section 309(e) of the Clean Water Act, 33 U.S.C. subsection 1319(e). The State of Louisiana on behalf of the LDEQ has joined the complaint against the City for its alleged violations of the Clean Water Act, and the Louisiana Environmental Quality Act, LSA-R.S. 30:2001, et seq. The complaint alleges that the City has violated Section 301 of the Clean Water Act, 33 U.S.C. subsection 1311 and conditions established in its NPEDS permits. The parties to the complaint have negotiated and have reached settlement of the issues raised in the complaint and entered into a consent decree to resolve the claims alleged in the complaint. The City has undertaken and continues to undertake remedial measures as specified in the consent decree and has paid civil penalties in previous years. While the City is making efforts to resolve violations and comply with the consent decree, civil penalties can be assessed if the City does not comply. The City has not accrued additional penalties as of October 31, 2015.

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City's management believes that any liability for reimbursement which may arise as the result of these audits would not be material to the financial statements.

At October 31, 2015, the City was involved in several lawsuits claiming damages. According to legal counsel for the City, there is adequate insurance on all cases where monetary damages are sought.

(18) Interfund Transfers

Interfund transfers consisted of the following at October 31, 2015:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 8,625,613	\$ 2,202,038
Sales Tax Special Revenue Fund	1,202,150	9,547,777
Drainage Special Revenue Fund	-	30,395
Nonmajor governmental funds:		
Sales tax funds	2,288,357	-
Debt service funds	1,384,868	470,670
Capital projects funds	19,570	1,689,129
Total governmental funds	13,520,558	13,940,009
Proprietary Fund:		
Enterprise Fund	490,244	78,759
Fiduciary Fund	7,966	-
Total	<u>\$14,018,768</u>	<u>\$14,018,768</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(19) Prior Period Adjustments

In June 2012, the GASB approved Statement No. 68, "Accounting and Financial Reporting for Pensions." GASB Statement No. 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements that meet the criteria established by this standard. The provisions of GASB Statement No 68 were implemented by the City during the year ending October 31, 2015.

The effect of the new accounting pronouncement resulted in a restatement of previously reported net position as follows:

	Governmental Activities	Business-Type Activities	Utility Fund
November 1, 2014 net position, as previously reported	\$ 28,239,617	\$ 40,752,944	\$ 40,752,944
Net effect of recording pension liability	(9,414,539)	(1,843,954)	(1,843,954)
November 1, 2014 net position, as restated	<u>\$ 18,825,078</u>	<u>\$ 38,908,990</u>	<u>\$ 38,908,990</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF NEW IBERIA, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Ad valorem	\$ 1,150,503	\$ 1,150,503	\$ 1,157,336	\$ 6,833
Sales and use	1,842,000	1,775,453	1,782,246	6,793
Franchise	1,818,000	1,818,000	1,821,093	3,093
Licenses and permits	1,628,323	1,791,134	1,819,401	28,267
Intergovernmental -				
Federal	12,960	32,000	30,072	(1,928)
State	167,789	478,593	480,205	1,612
Local	140,400	134,400	138,804	4,404
Charges for services	37,375	37,375	47,240	9,865
Fines and forfeits	-	5,154	5,155	1
Investment income	14,350	14,350	19,359	5,009
Miscellaneous	-	273,799	300,900	27,101
Total revenues	<u>6,811,700</u>	<u>7,510,761</u>	<u>7,601,811</u>	<u>91,050</u>
Expenditures:				
Current -				
General government	2,201,533	2,180,204	2,042,240	137,964
Public safety	11,523,219	11,516,657	11,360,718	155,939
Culture and recreation	18,666	18,666	17,461	1,205
Capital outlay	-	75,000	70,411	4,589
Total expenditures	<u>13,743,418</u>	<u>13,790,527</u>	<u>13,490,830</u>	<u>299,697</u>
Deficiency of revenues over expenditures	<u>(6,931,718)</u>	<u>(6,279,766)</u>	<u>(5,889,019)</u>	<u>390,747</u>
Other financing sources (uses):				
Transfers in	8,865,355	8,625,828	8,625,613	(215)
Transfers out	<u>(2,294,109)</u>	<u>(2,202,038)</u>	<u>(2,202,038)</u>	<u>-</u>
Total other financing sources (uses)	<u>6,571,246</u>	<u>6,423,790</u>	<u>6,423,575</u>	<u>(215)</u>
Net change in fund balance	(360,472)	144,024	534,556	390,532
Fund balance, beginning	<u>6,110,825</u>	<u>6,110,825</u>	<u>6,110,825</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,750,353</u>	<u>\$ 6,254,849</u>	<u>\$ 6,645,381</u>	<u>\$ 390,532</u>

CITY OF NEW IBERIA, LOUISIANA
Special Revenue Fund
Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales and use	\$ 9,212,000	\$ 8,877,267	\$ 8,911,229	\$ 33,962
Investment income	2,660	2,660	5,744	3,084
Total revenues	<u>9,214,660</u>	<u>8,879,927</u>	<u>8,916,973</u>	<u>37,046</u>
Expenditures:				
Current -				
General government	75,000	78,850	78,850	-
Total expenditures	<u>75,000</u>	<u>78,850</u>	<u>78,850</u>	<u>-</u>
Excess of revenues over expenditures	<u>9,139,660</u>	<u>8,801,077</u>	<u>8,838,123</u>	<u>37,046</u>
Other financing sources (uses):				
Transfers in	1,202,150	1,202,150	1,202,150	-
Transfers out	(9,788,429)	(9,545,052)	(9,547,777)	(2,725)
Total other financing sources (uses)	<u>(8,586,279)</u>	<u>(8,342,902)</u>	<u>(8,345,627)</u>	<u>(2,725)</u>
Net change in fund balance	553,381	458,175	492,496	34,321
Fund balance, beginning	<u>790,040</u>	<u>790,040</u>	<u>790,040</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,343,421</u>	<u>\$ 1,248,215</u>	<u>\$ 1,282,536</u>	<u>\$ 34,321</u>

CITY OF NEW IBERIA, LOUISIANA
Special Revenue Fund
Garbage Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales and use	\$ 3,684,000	\$ 3,513,530	\$ 3,564,492	\$ 50,962
Investment income	510	2,300	1,654	(646)
Miscellaneous	396,000	500,000	500,000	-
Total revenues	<u>4,080,510</u>	<u>4,015,830</u>	<u>4,066,146</u>	<u>50,316</u>
Expenditures:				
Current -				
General government	30,000	31,500	31,540	(40)
Public works	<u>4,050,503</u>	<u>4,075,409</u>	<u>4,076,909</u>	<u>(1,500)</u>
Total expenditures	<u>4,050,503</u>	<u>4,075,409</u>	<u>4,108,449</u>	<u>(1,540)</u>
Excess (deficiency) of revenues over expenditures	30,007	(59,579)	(42,303)	48,776
Fund balance, beginning	<u>92,589</u>	<u>92,589</u>	<u>92,589</u>	<u>-</u>
Fund balance, ending	<u>\$ 122,596</u>	<u>\$ 33,010</u>	<u>\$ 50,286</u>	<u>\$ 48,776</u>

CITY OF NEW IBERIA, LOUISIANA

Schedule of Employers' Share of Net Pension Liability
For the Year Ended October 31, 2015*

<u>Year Ended October 31,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees' Retirement System					
2015	1.972086%	\$7,044,600	\$3,381,856	208.3%	66.18%
Firefighters' Retirement System of Louisiana					
2015	1.197499%	\$6,463,037	\$2,481,858	260.4%	72.45%
Louisiana State Employees' Retirement System					
2015	0.00222%	\$ 150,857	\$ 37,640	400.8%	62.70%

* The amounts presented have a measurement date of June 30, 2015.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF NEW IBERIA, LOUISIANA

**Municipal Employees' Retirement System
Schedule of Employer Contributions
For the Year Ended October 31, 2015**

<u>Year Ended October 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Municipal Employees' Retirement System					
2015	\$ 673,246	\$ 673,246	\$ -	\$ 3,408,841	19.75%
Firefighters' Retirement System of Louisiana					
2015	\$ 723,823	\$ 723,823	\$ -	\$ 2,532,621	28.58%
Louisiana State Employees' Retirement System					
2015	\$ 15,280	\$ 15,280	\$ -	\$ 37,850	40.37%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF NEW IBERIA, LOUISIANA

**Schedule of Funding Progress
For the Year Ended October 31, 2015**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
November 1, 2009	\$ -	\$ 15,833,233	\$ 15,833,233	0.0%	\$6,701,514	236.3%
November 1, 2010	-	17,367,581	17,367,581	0.0%	6,920,993	250.9%
November 1, 2011	-	19,350,432	19,350,432	0.0%	6,728,439	287.6%
November 1, 2013	-	4,678,470	4,678,470	0.0%	5,883,978	79.5%
November 1, 2015	-	5,060,233	5,060,233	0.0%	5,914,548	85.6%

CITY OF NEW IBERIA, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The City follows the procedures detailed below in adopting its budget.

1. At least 45 days prior to the beginning of each fiscal year, the Mayor is required to submit to the City Council a proposed budget in the form required by the Charter.
2. A public hearing is required to be conducted to obtain taxpayer comments and notice thereof is published in the official journal at least ten days prior to such hearing. The notification is to include the time and place of the public hearing in addition to a general summary of the proposed budget.
3. Final adoption of the budget is required to be not later than October 31 of the fiscal year for the ensuing fiscal year.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Mayor or her designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable. In practice, this has generally been interpreted (due to the flexibility for intra departmental transfer of line item appropriations) to mean control at the departmental/fund level. Intra departmental transfers are approved by the Mayor or her designee. Budget adjustments which involve changes to total revenues and/or expenditures/expenses require Council approval.
5. Those budgets which the City adopts are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

CITY OF NEW IBERIA, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Excess of Expenditures Over Appropriations

For the year ended October 31, 2015, the following funds had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
Garbage Fund:			
General government	\$ 31,500	\$ 31,540	\$ (40)
Public works	4,075,409	4,076,909	(1,500)

OTHER SUPPLEMENTARY INFORMATION

CITY OF NEW IBERIA, LOUISIANA

**Statement of Net Position
October 31, 2015
With Comparative Totals for October 31, 2014**

	2015			2014
	Governmental Activities	Business-Type Activities	Total	Total
ASSETS				
Cash and interest-bearing deposits	\$ 15,003,200	\$ 1,476,255	\$ 16,479,455	\$ 14,882,762
Accounts receivable	271,591	431,172	702,763	680,990
Assessments receivable	122,731	-	122,731	199,800
Due from other governmental units	3,289,230	670,612	3,959,842	2,885,439
Real estate held for resale	61,343	-	61,343	61,343
Other assets	-	-	-	260
Restricted assets	-	311,259	311,259	309,270
Capital assets:				
Non-depreciable	6,298,099	7,968,439	14,266,538	7,961,775
Depreciable, net	<u>35,574,233</u>	<u>42,884,846</u>	<u>78,459,079</u>	<u>82,019,224</u>
Total assets	<u>60,620,427</u>	<u>53,742,583</u>	<u>114,363,010</u>	<u>109,000,863</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	303,440	47,557	350,997	421,475
Deferred outflows of resources - pension	<u>2,464,426</u>	<u>564,582</u>	<u>3,029,008</u>	<u>-</u>
Total deferred outflows of resources	<u>2,767,866</u>	<u>612,139</u>	<u>3,380,005</u>	<u>421,475</u>
LIABILITIES				
Cash overdraft	79,772	-	79,772	364,863
Accounts and other payables	1,409,362	1,064,799	2,474,161	1,082,261
Accrued interest	307,854	118,575	426,429	322,272
Unearned revenue	250,524	-	250,524	316,365
Long-term liabilities:				
Portion due or payable within one year	2,161,780	401,285	2,563,065	2,482,838
Portion due or payable after one year	22,092,752	10,521,594	32,614,346	31,408,651
Other post employment benefits payable	5,060,233	-	5,060,233	4,452,527
Net pension liability	<u>11,368,999</u>	<u>2,289,495</u>	<u>13,658,494</u>	<u>-</u>
Total liabilities	<u>42,731,276</u>	<u>14,395,748</u>	<u>57,127,024</u>	<u>40,429,777</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	<u>651,133</u>	<u>127,245</u>	<u>778,378</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	20,379,137	39,778,617	60,157,754	59,095,634
Restricted for:				
Capital projects	4,032,321	-	4,032,321	4,831,756
Debt service	890,597	192,684	1,083,281	1,020,282
Other	6,086,466	-	6,086,466	6,028,298
Unrestricted	<u>(11,382,637)</u>	<u>(139,572)</u>	<u>(11,522,209)</u>	<u>(1,983,409)</u>
Total net position	<u>\$ 20,005,884</u>	<u>\$ 39,831,729</u>	<u>\$ 59,837,613</u>	<u>\$ 68,992,561</u>

CITY OF NEW IBERIA, LOUISIANA

General Fund

Budgetary Comparison Schedule - Revenues

For the Year Ended October 31, 2015

With Comparative Actual Amounts for the Year Ended October 31, 2014

	2015			Variance with Final Budget	
	Budget			Positive	2014
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Taxes -					
Ad valorem	\$ 1,150,503	\$1,150,503	\$1,157,336	\$ 6,833	\$1,144,001
Sales and use	1,842,000	1,775,453	1,782,246	6,793	1,868,899
Franchise	1,818,000	1,818,000	1,821,093	3,093	1,840,317
Licenses and permits	1,628,323	1,791,134	1,819,401	28,267	1,807,807
Intergovernmental -					
Federal	12,960	32,000	30,072	(1,928)	250,238
State	167,789	478,593	480,205	1,612	452,938
Local	140,400	134,400	138,804	4,404	45,514
Charges for services	37,375	37,375	47,240	9,865	44,376
Fines and forfeits	-	5,154	5,155	1	4,145
Investment income	14,350	14,350	19,359	5,009	16,154
Miscellaneous	-	273,799	300,900	27,101	4,155
Total revenues	\$ 6,811,700	\$7,510,761	\$7,601,811	\$ 91,050	\$7,478,544

CITY OF NEW IBERIA, LOUISIANA

General Fund

Budgetary Comparison Schedule - Expenditures

For the Year Ended October 31, 2015

With Comparative Actual Amounts for the Year Ended October 31, 2014

	2015			Variance with Final Budget	2014 Actual
	Budget		Actual	Positive (Negative)	
	Original	Final			
Current:					
General government -					
Salaries	\$ 948,659	\$ 995,120	\$ 949,883	\$ 45,237	\$ 925,335
Payroll taxes	17,908	18,369	17,738	631	16,947
Retirement	181,539	181,844	169,786	12,058	157,674
Unemployment compensation	-	-	-	-	371
Workers compensation	2,901	2,907	2,095	812	1,187
Group insurance	161,314	168,316	167,878	438	153,386
Contracted services	243,460	197,083	161,859	35,224	188,941
Dues and subscriptions	6,212	6,299	5,747	552	5,928
Insurance	327,800	284,913	283,417	1,496	305,828
Miscellaneous	22,350	15,817	9,926	5,891	6,521
Nonprofit allocations	28,308	47,348	44,514	2,834	40,960
Office expense	41,892	43,135	25,738	17,397	28,516
Repairs and maintenance	92,340	94,340	90,912	3,428	85,414
Travel and training	11,250	11,113	3,738	7,375	3,980
Utilities and telephone	115,600	113,600	109,009	4,591	113,497
Total general government	2,201,533	2,180,204	2,042,240	137,964	2,034,485
Public safety -					
Salaries	2,707,761	2,939,896	2,937,534	2,362	2,823,311
Payroll taxes	36,481	36,495	36,213	282	34,313
Retirement	848,810	782,207	755,242	26,965	730,623
Workers compensation	236,414	106,936	101,486	5,450	112,501
Group insurance	774,120	774,120	791,469	(17,349)	714,085
Contracted services	6,405,125	6,353,075	6,315,223	37,852	6,219,867
Dues and subscriptions	2,400	2,500	2,131	369	3,010
Insurance	36,100	36,100	31,953	4,147	30,186
Jail	235,000	235,000	220,796	14,204	209,204
Miscellaneous	1,100	1,100	689	411	1,818
Office expense	8,300	8,488	6,446	2,042	6,847
Repairs and maintenance	153,880	165,262	108,785	56,477	104,866
Travel and training	30,688	28,438	9,506	18,932	17,921
Utilities and telephone	47,040	47,040	43,245	3,795	44,353
Total public safety	11,523,219	11,516,657	11,360,718	155,939	11,052,905
Culture and recreation -					
Contracted services	264	264	264	-	264
Repairs and maintenance	5,660	5,660	4,576	1,084	5,305
Utilities and telephone	12,742	12,742	12,621	121	13,755
Total culture and recreation	18,666	18,666	17,461	1,205	19,324
Capital outlay	-	75,000	70,411	4,589	294,296
Total expenditures	\$13,743,418	\$13,790,527	\$13,490,830	\$ 299,697	\$13,401,010

CITY OF NEW IBERIA, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet - By Fund Type
October 31, 2015

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
ASSETS				
Cash and interest-bearing deposits	\$ 857,352	\$ 1,235,075	\$ 2,121,227	\$ 4,213,654
Receivables:				
Accounts	37	-	-	37
Assessments	-	122,731	-	122,731
Due from other governmental units	<u>25,981</u>	<u>-</u>	<u>-</u>	<u>25,981</u>
Total assets	<u>\$ 883,370</u>	<u>\$ 1,357,806</u>	<u>\$ 2,121,227</u>	<u>\$ 4,362,403</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Overdraft	\$ -	\$ 26,155	\$ -	\$ 26,155
Accounts payable	66,056	-	17,494	83,550
Accrued liabilities	55,967	-	-	55,967
Unearned revenue	<u>-</u>	<u>133,200</u>	<u>100,000</u>	<u>233,200</u>
Total liabilities	<u>122,023</u>	<u>159,355</u>	<u>117,494</u>	<u>398,872</u>
Fund balances -				
Restricted:				
Sales tax dedications	170,702	-	-	170,702
Construction of capital assets	-	-	2,003,733	2,003,733
Purpose of grantors, trustees and donors	68,315	-	-	68,315
Debt service	-	1,198,451	-	1,198,451
Assigned - disaster relief	<u>522,330</u>	<u>-</u>	<u>-</u>	<u>522,330</u>
Total fund balances	<u>761,347</u>	<u>1,198,451</u>	<u>2,003,733</u>	<u>3,963,531</u>
Total liabilities and fund balances	<u>\$ 883,370</u>	<u>\$ 1,357,806</u>	<u>\$ 2,121,227</u>	<u>\$ 4,362,403</u>

CITY OF NEW IBERIA, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended October 31, 2015

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Revenues:				
Taxes:				
Ad valorem	\$ 1,173,377	\$ 2,092,036	\$ -	\$ 3,265,413
Intergovernmental:				
Federal	1,177,216	-	700,000	1,877,216
State	32,350	-	3,000	35,350
Local	25,981	-	-	25,981
Charges for services	107,247	-	-	107,247
Investment income	3,616	9,344	636	13,596
Miscellaneous	<u>127,083</u>	<u>36,698</u>	<u>-</u>	<u>163,781</u>
Total revenues	<u>2,646,870</u>	<u>2,138,078</u>	<u>703,636</u>	<u>5,488,584</u>
Expenditures:				
Current -				
General government	-	12,350	-	12,350
Public works	2,245,639	-	35,964	2,281,603
Culture and recreation	1,037,528	-	-	1,037,528
Urban redevelopment and housing	1,221,534	-	-	1,221,534
Debt service -				
Principal	-	2,046,600	-	2,046,600
Interest	-	952,284	-	952,284
Capital outlay	<u>226,942</u>	<u>-</u>	<u>742,020</u>	<u>968,962</u>
Total expenditures	<u>4,731,643</u>	<u>3,011,234</u>	<u>777,984</u>	<u>8,520,861</u>
Deficiency of revenues over expenditures	<u>(2,084,773)</u>	<u>(873,156)</u>	<u>(74,348)</u>	<u>(3,032,277)</u>
Other financing sources (uses):				
Transfers in	2,288,357	1,384,868	19,570	3,692,795
Transfers out	<u>-</u>	<u>(470,670)</u>	<u>(1,689,129)</u>	<u>(2,159,799)</u>
Total other financing sources (uses)	<u>2,288,357</u>	<u>914,198</u>	<u>(1,669,559)</u>	<u>1,532,996</u>
Net changes in fund balances	203,584	41,042	(1,743,907)	(1,499,281)
Fund balances, beginning	<u>557,763</u>	<u>1,157,409</u>	<u>3,747,640</u>	<u>5,462,812</u>
Fund balances, ending	<u>\$ 761,347</u>	<u>\$ 1,198,451</u>	<u>\$ 2,003,733</u>	<u>\$ 3,963,531</u>

CITY OF NEW IBERIA, LOUISIANA

**Combining Balance Sheet
Nonmajor Special Revenue Funds
October 31, 2015**

	<u>Parks and Recreation</u>	<u>Public Works</u>	<u>Section 8 Housing Voucher Program</u>	<u>Disaster Relief</u>	<u>Total</u>
ASSETS					
Cash and interest-bearing deposits	\$ 117,070	\$ 145,234	\$ 72,718	\$ 522,330	\$ 857,352
Accounts receivable	-	-	37	-	37
Due from other governmental units	-	25,981	-	-	25,981
Total assets	<u>\$ 117,070</u>	<u>\$ 171,215</u>	<u>\$ 72,755</u>	<u>\$ 522,330</u>	<u>\$ 883,370</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 11,082	\$ 54,974	\$ -	\$ -	\$ 66,056
Accrued liabilities	20,241	31,286	4,440	-	55,967
Total liabilities	<u>31,323</u>	<u>86,260</u>	<u>4,440</u>	<u>-</u>	<u>122,023</u>
Fund balances:					
Restricted-					
Tax dedications	85,747	84,955	-	-	170,702
Purpose of grantors, trustees and donors	-	-	68,315	-	68,315
Assigned - disaster relief	-	-	-	522,330	522,330
Total fund balances	<u>85,747</u>	<u>84,955</u>	<u>68,315</u>	<u>522,330</u>	<u>761,347</u>
Total liabilities and fund balances	<u>\$ 117,070</u>	<u>\$ 171,215</u>	<u>\$ 72,755</u>	<u>\$ 522,330</u>	<u>\$ 883,370</u>

CITY OF NEW IBERIA, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended October 31, 2015

	<u>Parks and Recreation</u>	<u>Public Works</u>	<u>Section 8 Housing Voucher Program</u>	<u>Disaster Relief</u>	<u>Total</u>
Revenues:					
Taxes-					
Ad valorem	\$ 593,708	\$ 579,669	\$ -	\$ -	\$ 1,173,377
Intergovernmental-					
Federal	-	-	1,177,216	-	1,177,216
State	-	32,350	-	-	32,350
Local	-	25,981	-	-	25,981
Charges for services	95,558	11,689	-	-	107,247
Investment income	977	1,443	394	802	3,616
Miscellaneous	111,444	15,639	-	-	127,083
Total revenues	<u>801,687</u>	<u>666,771</u>	<u>1,177,610</u>	<u>802</u>	<u>2,646,870</u>
Expenditures:					
Current -					
Public works	-	2,235,182	-	10,457	2,245,639
Culture and recreation	1,037,528	-	-	-	1,037,528
Urban redevelopment housing	-	-	1,221,534	-	1,221,534
Capital outlay	50,230	176,712	-	-	226,942
Total expenditures	<u>1,087,758</u>	<u>2,411,894</u>	<u>1,221,534</u>	<u>10,457</u>	<u>4,731,643</u>
Deficiency of revenues over expenditures	(286,071)	(1,745,123)	(43,924)	(9,655)	(2,084,773)
Other financing sources:					
Transfers in	317,998	1,721,560	-	248,799	2,288,357
Net changes in fund balances	31,927	(23,563)	(43,924)	239,144	203,584
Fund balances, beginning	53,820	108,518	112,239	283,186	557,763
Fund balances, ending	<u>\$ 85,747</u>	<u>\$ 84,955</u>	<u>\$ 68,315</u>	<u>\$ 522,330</u>	<u>\$ 761,347</u>

CITY OF NEW IBERIA, LOUISIANA
Parks and Recreation Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended October 31, 2015
With Comparative Actual Amounts for the Year Ended October 31, 2014

	2015			Variance with Final Budget Positive (Negative)	2014 Actual
	Budget		Actual		
	Original	Final			
Culture and recreation:					
Salaries	\$ 562,613	\$ 520,055	\$ 521,441	\$ (1,386)	\$ 531,387
Payroll taxes	13,852	12,824	12,540	284	13,155
Retirement	96,409	86,850	84,853	1,997	83,218
Unemployment compensation	5,000	1,000	315	685	8,161
Workers compensation	35,243	15,450	15,448	2	16,121
Group insurance	122,953	116,589	115,748	841	106,385
Contracted services	10,642	17,482	17,808	(326)	9,817
Insurance	11,000	17,759	21,166	(3,407)	12,176
Miscellaneous	1,000	1,000	413	587	-
Programs	35,000	40,500	39,900	600	33,738
Office expense	6,850	6,850	6,831	19	5,972
Repairs and maintenance	150,550	140,231	100,726	39,505	118,936
Travel and training	500	500	25	475	110
Utilities and telephone	123,500	105,851	100,314	5,537	105,017
Total culture and recreation	1,175,112	1,082,941	1,037,528	45,413	1,044,193
Capital outlay	-	50,230	50,230	-	-
Total expenditures	\$1,175,112	\$ 1,133,171	\$1,087,758	\$ 45,413	\$1,044,193

CITY OF NEW IBERIA, LOUISIANA
Public Works Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended October 31, 2015
With Comparative Actual Amounts for the Year Ended October 31, 2014

	2015			Variance with Final Budget Positive (Negative)	2014 Actual
	Budget		Actual		
	Original	Final			
Public works:					
Salaries	\$ 908,802	\$ 820,618	\$ 824,060	\$ (3,442)	\$ 783,391
Payroll taxes	15,473	14,829	15,011	(182)	12,554
Retirement	174,923	147,592	147,500	92	136,664
Unemployment compensation	5,000	5,000	5,366	(366)	-
Workers compensation	66,377	18,465	18,484	(19)	18,504
Group insurance	228,583	219,796	218,479	1,317	196,311
Contracted services	134,100	53,100	46,982	6,118	51,777
Insurance	41,250	66,250	61,682	4,568	27,465
Miscellaneous	2,000	2,000	1,496	504	944
Office expense	2,850	2,350	524	1,826	1,266
Repairs and maintenance	371,560	323,685	293,214	30,471	321,303
Streets, signs and drainage	77,500	93,500	84,004	9,496	68,424
Utilities and telephone	549,940	517,040	518,380	(1,340)	512,093
Total public works	2,578,358	2,284,225	2,235,182	49,043	2,130,696
Capital outlay	179,000	176,875	176,712	163	33,930
Total expenditures	\$ 2,757,358	\$ 2,461,100	\$ 2,411,894	\$ 49,206	\$ 2,164,626

CITY OF NEW IBERIA, LOUISIANA

Combining Balance Sheet
Nonmajor Debt Service Funds
October 31, 2015

	General Obligation Debt Service	Debt Service	Spanish Towne Paving Assessments	Spanish Towne Sewerage Assessments	2009 Sinking Fund	2010 Sinking Fund	Total
ASSETS							
Cash and interest-bearing deposits	\$ 265,342	\$ 19,481	\$ 10,702	\$ 1,984	\$ 378,872	\$ 558,694	\$ 1,235,075
Assessments receivable	-	-	107,804	14,927	-	-	122,731
Total assets	<u>\$ 265,342</u>	<u>\$ 19,481</u>	<u>\$ 118,506</u>	<u>\$ 16,911</u>	<u>\$ 378,872</u>	<u>\$ 558,694</u>	<u>\$ 1,357,806</u>
LIABILITIES AND FUND BALANCES							
Overdraft	\$ -	\$ -	\$ -	\$ -	\$ 6,847	\$ 19,308	\$ 26,155
Unearned revenue	-	-	117,000	16,200	-	-	133,200
Total liabilities	<u>-</u>	<u>-</u>	<u>117,000</u>	<u>16,200</u>	<u>6,847</u>	<u>19,308</u>	<u>159,355</u>
Fund balances:							
Restricted - debt service	<u>265,342</u>	<u>19,481</u>	<u>1,506</u>	<u>711</u>	<u>372,025</u>	<u>539,386</u>	<u>1,198,451</u>
Total fund balances	<u>265,342</u>	<u>19,481</u>	<u>1,506</u>	<u>711</u>	<u>372,025</u>	<u>539,386</u>	<u>1,198,451</u>
Total liabilities and fund balances	<u>\$ 265,342</u>	<u>\$ 19,481</u>	<u>\$ 118,506</u>	<u>\$ 16,911</u>	<u>\$ 378,872</u>	<u>\$ 558,694</u>	<u>\$ 1,357,806</u>

CITY OF NEW IBERIA, LOUISIANA

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended October 31, 2015**

	<u>General Obligation Debt Service</u>	<u>Debt Service</u>	<u>Spanish Towne Paving Assessments</u>	<u>Spanish Towne Sewerage Assessments</u>	<u>2009 Sinking Fund</u>	<u>2010 Sinking Fund</u>	<u>Total</u>
Revenues:							
Taxes-							
Ad valorem	\$ 1,333,853	\$ 758,183	\$ -	\$ -	\$ -	\$ -	\$ 2,092,036
Investment income	1,505	-	6,807	942	32	58	9,344
Miscellaneous	-	-	31,998	4,700	-	-	36,698
Total revenues	<u>1,335,358</u>	<u>758,183</u>	<u>38,805</u>	<u>5,642</u>	<u>32</u>	<u>58</u>	<u>2,138,078</u>
Expenditures:							
Current							
General government	2,450	-	-	-	3,300	6,600	12,350
Debt service -							
Principal	895,000	220,000	58,500	8,100	230,000	635,000	2,046,600
Interest	404,592	60,885	7,678	1,069	290,585	187,475	952,284
Total expenditures	<u>1,302,042</u>	<u>280,885</u>	<u>66,178</u>	<u>9,169</u>	<u>523,885</u>	<u>829,075</u>	<u>3,011,234</u>
Excess (deficiency) of revenues over expenditures	<u>33,316</u>	<u>477,298</u>	<u>(27,373)</u>	<u>(3,527)</u>	<u>(523,853)</u>	<u>(829,017)</u>	<u>(873,156)</u>
Other financing sources (uses):							
Transfers in	-	-	28,503	3,495	523,853	829,017	1,384,868
Transfers out	-	(470,670)	-	-	-	-	(470,670)
Total other financing sources (uses)	<u>-</u>	<u>(470,670)</u>	<u>28,503</u>	<u>3,495</u>	<u>523,853</u>	<u>829,017</u>	<u>914,198</u>
Net changes in fund balances	<u>33,316</u>	<u>6,628</u>	<u>1,130</u>	<u>(32)</u>	<u>-</u>	<u>-</u>	<u>41,042</u>
Fund balances, beginning	<u>232,026</u>	<u>12,853</u>	<u>376</u>	<u>743</u>	<u>372,025</u>	<u>539,386</u>	<u>1,157,409</u>
Fund balances, ending	<u>\$ 265,342</u>	<u>\$ 19,481</u>	<u>\$ 1,506</u>	<u>\$ 711</u>	<u>\$ 372,025</u>	<u>\$ 539,386</u>	<u>\$ 1,198,451</u>

CITY OF NEW IBERIA
NEW IBERIA, LOUISIANA

Combining Balance Sheet
Nonmajor Capital Project Funds
October 31, 2015

	<u>Construction</u>	<u>2006 Street Program</u>	<u>2009 Bonds Street Construction</u>	<u>2010 Bonds Street Construction</u>	<u>CDBG</u>	<u>Total</u>
ASSETS						
Cash and interest-bearing deposits	<u>\$ 147,638</u>	<u>\$ -</u>	<u>\$ 512,247</u>	<u>\$ 1,461,342</u>	<u>\$ -</u>	<u>\$ 2,121,227</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 17,494	\$ -	\$ -	\$ 17,494
Unearned revenue	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Total liabilities	100,000	-	17,494	-	-	117,494
Fund balances:						
Restricted -						
Construction of capital assets	<u>47,638</u>	<u>-</u>	<u>494,753</u>	<u>1,461,342</u>	<u>-</u>	<u>2,003,733</u>
Total liabilities and fund balances	<u>\$ 147,638</u>	<u>\$ -</u>	<u>\$ 512,247</u>	<u>\$ 1,461,342</u>	<u>\$ -</u>	<u>\$ 2,121,227</u>

CITY OF NEW IBERIA, LOUISIANA

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended October 31, 2015**

	<u>Construction</u>	<u>2006 Street Program</u>	<u>2009 Bonds Street Construction</u>	<u>2010 Bonds Street Construction</u>	<u>CDBG</u>	<u>Total</u>
Revenues:						
Intergovernmental-						
Federal	\$ -	\$ -	\$ -	\$ -	\$ 700,000	\$ 700,000
State	3,000	-	-	-	-	3,000
Investment income	300	4	86	246	-	636
Total revenues	<u>3,300</u>	<u>4</u>	<u>86</u>	<u>246</u>	<u>700,000</u>	<u>703,636</u>
Expenditures:						
Current -						
Public works	-	18,470	17,494	-	-	35,964
Capital outlay	<u>5,792</u>	<u>-</u>	<u>-</u>	<u>4,085</u>	<u>732,143</u>	<u>742,020</u>
Total expenditures	<u>5,792</u>	<u>18,470</u>	<u>17,494</u>	<u>4,085</u>	<u>732,143</u>	<u>777,984</u>
Excess (deficiency) of revenues over expenditures	<u>(2,492)</u>	<u>(18,466)</u>	<u>(17,408)</u>	<u>(3,839)</u>	<u>(32,143)</u>	<u>(74,348)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	19,570	19,570
Transfers out	<u>(1,689,129)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,689,129)</u>
Total other financing sources (uses)	<u>(1,689,129)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,570</u>	<u>(1,669,559)</u>
Net changes in fund balances	(1,691,621)	(18,466)	(17,408)	(3,839)	(12,573)	(1,743,907)
Fund balances, beginning	<u>1,739,259</u>	<u>18,466</u>	<u>512,161</u>	<u>1,465,181</u>	<u>12,573</u>	<u>3,747,640</u>
Fund balances, ending	<u>\$ 47,638</u>	<u>\$ -</u>	<u>\$ 494,753</u>	<u>\$ 1,461,342</u>	<u>\$ -</u>	<u>\$ 2,003,733</u>

CITY OF NEW IBERIA, LOUISIANA

Comparative Statement of Net Position
Sewerage Fund
October 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets:		
Cash	\$ 1,476,255	\$ 293,192
Accounts receivable	431,172	378,260
Due from other governmental units	670,612	315,452
Total current assets	<u>2,578,039</u>	<u>986,904</u>
Noncurrent assets:		
Restricted cash	311,259	309,270
Capital assets -		
Land and construction in progress	7,968,439	3,823,089
Other capital assets, net of accumulated depreciation	42,884,846	43,831,403
Total noncurrent assets	<u>51,164,544</u>	<u>47,963,762</u>
Total assets	<u>53,742,583</u>	<u>48,950,666</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	47,557	55,068
Deferred outflows of resources - pension	564,582	-
Total deferred outflows of resources	<u>612,139</u>	<u>55,068</u>
LIABILITIES		
Current liabilities:		
Overdraft	-	316,958
Accounts payable	110,037	188,806
Contracts payable	530,823	-
Retainage payable	375,311	88,511
Accrued liabilities	48,628	42,845
Accrued compensated absences	16,285	15,151
Payable from restricted assets -		
Accrued interest	118,575	124,125
Bonds payable	385,000	370,000
Total current liabilities	<u>1,584,659</u>	<u>1,146,396</u>
Noncurrent liabilities:		
Accrued compensated absences	146,567	136,358
Bonds payable	10,375,027	6,970,036
Net pension liability	2,289,495	-
Total noncurrent liabilities	<u>12,811,089</u>	<u>7,106,394</u>
Total liabilities	<u>14,395,748</u>	<u>8,252,790</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension	127,245	-
NET POSITION		
Net investment in capital assets	39,778,617	40,314,456
Restricted for debt service	192,684	185,145
Unrestricted	(139,572)	253,343
Total net position	<u>\$39,831,729</u>	<u>\$40,752,944</u>

CITY OF NEW IBERIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Sewerage Fund
For the Years Ended October 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Charges for services -		
Customers	\$ 4,542,540	\$ 4,583,476
Parish government under cooperative agreement	<u>898,657</u>	<u>848,356</u>
Total operating revenues	<u>5,441,197</u>	<u>5,431,832</u>
Operating expenses:		
Cost of services rendered	3,364,794	3,179,411
Depreciation	<u>2,520,780</u>	<u>2,487,430</u>
Total operating expenses	<u>5,885,574</u>	<u>5,666,841</u>
Operating loss	<u>(444,377)</u>	<u>(235,009)</u>
Nonoperating revenues (expenses):		
Grant revenues	-	543,562
Investment income	43,290	42,363
Interest expense	(275,908)	(266,811)
Non-employer pension contributions	38,056	-
Other, net	<u>30,193</u>	<u>68,053</u>
Total nonoperating revenues (expenses)	<u>(164,369)</u>	<u>387,167</u>
Income (loss) before contributions and transfers	<u>(608,746)</u>	<u>152,158</u>
Capital contributions	<u>1,120,000</u>	<u>399,600</u>
Transfers:		
Transfers in	490,244	19,880
Transfers out	<u>(78,759)</u>	<u>-</u>
Total transfers in (out)	<u>411,485</u>	<u>19,880</u>
Change in net position	922,739	571,638
Net position, beginning, as restated	<u>38,908,990</u>	<u>40,181,306</u>
Net position, ending	<u>\$39,831,729</u>	<u>\$40,752,944</u>

CITY OF NEW IBERIA, LOUISIANA
Enterprise Fund
Sewer Fund

Schedule of Number of Utility Customers
(Unaudited)
October 31, 2015 and 2014

Records maintained by the City indicated the following number of customers were being served during the months of October 31, 2015 and 2014:

<u>Department</u>	<u>2015</u>	<u>2014</u>
Sewerage	12,127	12,218

**INTERNAL CONTROL,
COMPLIANCE, AND
OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Muxon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Penny Angelle Scruggins, CPA
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
Albert R. Leger, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Jane R. Hobart, CPA
Deirdre L. Stock, CPA
Karen V. Fontenot, CPA
Tabby A. LeMay, CPA

* A Professional Accounting Corporation

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

434 East Main Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddil St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

1428 Metro Drive
Alexandria, LA 71301
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KSRCPAS.COM

Retired:
Conrad O. Chapman, CPA* 2006

The Honorable Hilda Curry, Mayor
and Members of the City Council
City of New Iberia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of New Iberia, Louisiana (the City) as of and for the year ended October 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 4, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control and compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Statements* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 4, 2016

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Moxon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Ponny Angelle Scruggins, CPA
Christina C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA
Albert R. Legar, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Jane R. Hebert, CPA
Dakota L. Stock, CPA
Karen V. Fontenot, CPA
Tabby A. LeMay, CPA

* A Professional Accounting Corporation

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (855) 384-2020
Fax (855) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

434 East Main Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddell St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 639-4737
Fax (337) 639-4568

1428 Metro Drive
Alexandria, LA 71301
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRCPAS.COM

Retired:
Conrad O. Chapman, CPA* 2006

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Honorable Hilda Curry, Mayor
and Members of the City Council
City of New Iberia, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of New Iberia, Louisiana's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended October 31, 2015. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended October 31, 2015.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 4, 2016

CITY OF NEW IBERIA, LOUISIANA

**Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2015**

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Expenditures	Amounts Provided to Subrecipients
U.S. Department of Housing and Urban Development:			
Direct Programs -			
Section 8 Housing Choice Vouchers	14.871	\$ 1,207,274	\$ -
Passed through Local Housing Authorities -			
Section 8 Housing Choice Vouchers	14.871	14,260	-
Passed through Louisiana Housing Corporation -			
Emergency Shelter Grant	14.231	30,072	29,167
Passed through Louisiana Division of Administration -			
Community Development Block Grant - State's Program*	14.228	<u>2,527,244</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development		3,778,850	29,167
Environmental Protection Agency :			
Passed through Louisiana Departmental of Environmental Quality:			
Capitalization Grants for Clean Water State Revolving Funds	66.458	<u>3,949,194</u>	<u>-</u>
 TOTAL FEDERAL AWARDS		 <u>\$ 7,728,044</u>	 <u>\$ 29,167</u>

* Indicates major program

CITY OF NEW IBERIA, LOUISIANA
New Iberia, Louisiana

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2015

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of New Iberia, Louisiana and is presented on the modified accrual basis of accounting and the accrual basis, as appropriate, which is described in Note 1 of the Financial Statements of the City's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Relationship to Financial Statements

Federal awards revenues are reported in City's financial statements as follows:

	<u>Federal Sources</u>
Major Governmental Funds:	
General Fund	\$ 30,072
Drainage Fund	1,827,244
Other Governmental Funds:	
Section 8 Housing Choice Voucher Program	1,177,216
CDBG Fund	700,000
	<u>\$3,734,532</u>

CITY OF NEW IBERIA, LOUISIANA
New Iberia, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended October 31, 2015

Part I. Summary of Auditors' Results:

1. The auditors' report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. No material weaknesses were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the City, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control over the major federal program were disclosed during the audit.
5. The auditors' report on compliance for the major federal award program for the City expresses an unmodified opinion on the major federal program.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The following program is considered to be a major program: Community Development Block Grant (14.228).
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of OMB Circular A-133 was \$300,000.
9. The City was determined to be a low-risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

Compliance Findings –

There were no compliance findings noted for the year ending October 31, 2015.

Internal Control Findings –

There were no internal control findings noted for the year ending October 31, 2015.

CITY OF NEW IBERIA, LOUISIANA
New Iberia, Louisiana

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended October 31, 2015

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of OMB Circular A-133:

Compliance Findings –

There were no compliance findings noted for the year ending October 31, 2015.

Internal Control Findings –

There were no internal control findings noted for the year ending October 31, 2015.

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended October 31, 2015

Ref. No.	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (10/31/15) --						
		There were no findings for the fiscal year ended October 31, 2015.				
PRIOR YEAR (10/31/14) --						
		There were no internal control or compliance findings for the fiscal year ended October 31, 2014.				
<u>Management Letter:</u>						
2014-001(ML)		The City should monitor millage rates assessed for the ad valorem taxes for debt service to ensure that the amount charged is not in excess of the amount required to service the debt.	Yes	Each year prior to levying the ad valorem taxes, the City calculates and verifies the millage rates, as appropriate, in order to ensure that revenues are not being over collected.	Kimberly Segura, City Treasurer	
2014-002(ML)		The New Iberia City Marshal did not maintain proper documentation for certain expenditures.	Yes	In the future, proper documentation will be maintained for all expenditures.	Kimberly Segura, City Treasurer	